



Series
Communication, Theories and Techniques





Marco Turinetti
From Italy
Value as an attitude

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Marco Turinetto

FROM ITALY

Value as an attitude







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Preface

I love Italy and as with all great loves, I have tried to give much and I received much, although not without some disappointments.

My life as shareholder, entrepreneur and manager, three "jobs" which are very different from one another, has been conducted prevalently but not exclusively as part of a chain, the T/A, or rather "tessile/abbigliamento" (textile/clothing), as it was called until several years ago. A segment whose roots have antique traditions, to which Italy owes much and which for me, represents a passion.

In manufacturing I lived through the textile myopia of the 90's, along with the "fashion" optimism; at the end of the century I watched the "Luxury Goods Compartment" develop, of which the top fashion brands are, deservedly, among the founding fathers; and finally, I watched with dismay as textiles, which were the motor of our country, were evicted too quickly.

And now? Personally, I believe (and hope...) in a future vision, which this book describes, in my opinion, with great balance and incisiveness, where products imagined, designed and manufactured in Italy, where tradition, flexibility, taste and intuition, mixed with our style, can still result in an consistent and lasting competitive advantage.

Today, the same inexorable competitors on the costs and productivity front have a new and growing class of High Spenders who love and strongly desire FROM ITALY. Ten years ago, not many would have bet on this.

Another passion for me is tourism, probably the most important "industry" of our Country: 42 million foreign arrivals each year, more than 160 million presences, over 30 billion Euro currency balance, more than 2.5 million people involved in the chain, over 9% of Italian GDP.





All of this, despite many lost occasions, but at the same time with many other challenges to face, because the cities of art, the environment, the territory, the gastronomy, in short the "Italian Lifestyle", remain, even among many contradictions, another unique competitive advantage, inimitable and high-potential, which the pages of this book show, giving advice and precious indications.

The fact is, Italy came out of the second world war on its knees, moving from 25 to 60 million citizens in less than sixty years, bounced into the top 10 world economies, maybe even among the top 5, but with an enormous public debt produced during these last thirty years of missing vision and planning; with a chronic bureaucracy and juridical complexity that certainly haven't helped.

Italy is a manufacturing country that cannot and must not back down in its manufacturing capacity: the ability to create value through the transformation of goods and services, the oversight of the processes, are in my opinion, critical to our future, and must be considered a primary motor with ethical and healthy finances, to close a very virtuous circle.

That said, I firmly believe that people make the difference: I believe in those extraordinary interpreters of Italianism, who, with courage, pride and tireless determination, want to win, for themselves and for their country. Men of business, of science, from Public Institutions.

Men who work hard, with their brains and their hands, but mostly with their hearts. Men who have understood that times change rapidly, that the World has become small and hyper-competitive, where history, roots,





but also ethics, will, and sustainability are the possible paradigm changing elements, and which FROM ITALY identifies through a lucid and efficient vision of the future.

Matteo Marzotto







Introduction

The desire to present a volume dedicated to the research and manufacture of top range products and their opportunities, was born in an economic panorama which was very tumultuous and uncertain, but looking ahead, very interesting.

FROM ITALY as a synonym of: ingenuity in the chain from supplier to supplier, adaptability of entrepreneurs, work-in-process and processed, custom-built machines.

These motivations seem therefore, still valid and stimulating: sustaining with an editorial initiative, the strong subversion that is impressing upon the top range market through licensing and brand extension.

From the results of recent research in fact, in companies of all sizes and sectors, a precise inclination towards change was found, both in products and processes, the reason – sacrosanct in business – being to not aim only for survival, in any case uncertain, but directly for success.

These mutations, which became urgent in the contemporary economic model, often follow a precise direction: the desire to widen the original market, through licensing rights to usage of brands, extension and application of brands to new products and services, and possibly even more incisive, the concentration on important custom suppliers in a sort of “cross-category”.

Marbles, metals, mirrors and fabrics have freed themselves from the rules of the standard to model themselves to individual needs, moving to influence and interfere in the industries of building, manufacturing and ho-





spitality, but also in those of well-being and high-tech, fashion and services typically Italian.

In order to decodify and interpret these tendencies, and to contribute to the change in course, the idea was born for a book that analyzes the potential of Italian know-how.

This volume wants to gather around a single concept – change to grow – the interests and objectives of many companies that in Italy and in the world have understood that the adoption of new strategies is an incontrovertible necessity.

The volume contains themed essays and a testimony from Daniele Cor-dero di Montezemolo; it tells of the changes and ways to take advantage of opportunities and not remain on the margins. It addresses entrepreneurs, marketing managers, product managers, project professionals and designers.

This book therefore accepts a challenge, which is to help rethink and redesign behaviours, models and attitudes – in one word, market-approach – through the many assets that define the concept of FROM ITALY, from research to manufacturing: Italian know-how prevails.





From Made in Italy to FROM ITALY: the changing values of Italianism

Faced with new advancing trends and economies that are consolidating and gaining power through numbers, the productive capacity of Italy and of the companies that represent it, needs to shift from a playing table that measures and awards based solely on volumes, to one that is value-centered.

Value of thought, taste, manufacturing, quality.

Assets such as culture and art, intrinsic to our territory, must become a cornerstone for an economy that exports not only in absolute terms, but also as ingredients of an expertise that derives from knowledge and traditions, that qualifies our products and differentiates our thinking. A certain artisanship that feeds the universally known brands of Italian luxury, and that is evidently fashionable, but also distinctively present in other sectors, from precision mechanics to food to building. It cannot be explained if separated from roots and origins intrinsic to the history of the art, from a centuries old cultural patrimony present in our DNA, but we must learn to more fully nurture and exalt.

This has been understood by those companies, especially those of luxury goods, that have leveraged, to promote themselves and their products, the value of style, elegance, taste and manufacturing, and who in general have known how to transfer a complex but winning concept of Italianism to their brand.

It is in this sense that those initiatives aimed at exalting origins and history (through museum openings, the organization of exhibits and retrospectives, the re-launching of products as icons or vintage) or to promote artisanship (factory visits, schools or training courses) should be seen.





Distancing themselves therefore from those brands and/or companies without a past or tradition to recount and improving in this way a marketing of Italy which is often latent and inadequate.

In this way, the halo of worldwide appreciation versus our country and in general the Italian *bien vivre*, is fed, thus confirming our first place position regarding art, culture and tourism, despite the fact that official classifications (based on economic and structural indices) relegate us to undeserved positions.

In synthesis, the brands were able to express in a differentiated and unbound way, through the peculiarity of their products, distinctive coordinates of Italy as a country, thus fostering image and popularity, or rather contributing to an activity of indirect promotion. The push from companies to export national brands has strengthened the Italian reputation and covered through the years (paradoxically), the lack of and/or lacks in marketing for the "Italy Brand", which was neither active nor fruitful.

This leads to a few reflections.

The first is that the peculiar assets of our country which have been already utilized by private companies can even so be organized and used for further profit in order to benefit the "Italian products" that they represent.

The second is also very interesting in this context. Even if many western luxury (and non) brands are moving their production to the East, confirming the growing abilities of these countries to produce quality goods, it is the lack of service elements, tradition, culture and a vision of excellence that impedes the development of local luxury brands. Even if, in faraway China, manufacturing capability is able to come close to, if not equal, that of Italy, - thanks in part, to "imported" teachers who train in the most advanced techniques - Italian luxury brands are confirmed to have a more intriguing and not replicable mix, made up of history and tradition, of taste and style, managerial abilities and pure technique.

It is not a coincidence that even foreign luxury champions choose Italian





designers, artisans and producers.

From here stems the need, capacity and opportunity to strengthen and declare the expression of Italian identity in every sector, starting from the textile-fashion chain, already legitimized, through to the hospitality industry, whose artisanship today is unfortunately an episodic mix of individual inspiration and capabilities, rather than a systematic organization.

In this context not only production and the entire chain acquire value, but – with products which are continuously more sophisticated, linked to technology and an innovative and progressively more complex productive idea – the way of communicating changes, confirming the need to explain, to affirm the brand by building value around the “quality” attribute as well, which has again become a variable which cannot be neglected.

If, in fact, through the years we came to bypass – sometimes not only in terms of communication – the qualitative aspect, of attention to details, an undiscussed patrimony of our productive capacity, today it must be strongly claimed and followed maniacally. To distance from imitations (good and bad), from the law of numbers and the “lots for little”.

Thus, the role of the culture of knowledge returns to importance: knowing how to do and knowing how to identify and transmit the distinctive codes of Italian products, with an ever-increasing tie between productivity, well-being and competitiveness.

This doesn't end with the final brand, but is built of a sequence of values that, from the idea to the choice of raw materials to the engineering of the product reaches the placement of the product on the market.

An overview that puts suppliers, third parties, and licensors on the front lines, exalting their necessarily high quality and distinctive contribution, and giving them an opportunity for visibility as protagonists in a network producing value.

Strengthening the concept of “Italian” means drawing from a polyhedral





repertoire with knowledge, genius, but in particular calculation: to take advantage of our culture, our meticulousness, our experience, our thinking. To continue to seduce the new rich with inimitable and unrepeatable results we need to move from a traditional but watered-down label like "Made in Italy" to a more modern and comprehensive "FROM ITALY".

Moving from Showcase Country to Atelier Country.

Cecilia Gandini





Design, from creativity to project and manufacture

The majority of products sold today live in a mature phase of the market, where the success factors include those characteristics of companies and products that are the primary elements on which the growing global competitiveness is based: flexibility, standardization, differentiation, design and communication, and distribution, in a sort of continuous all-out problem solving.

These choices lead to a transformation, in the strategy and culture of the company, moving increasingly from an orientation towards production to an orientation to the market.

The importance of design as a factor of differentiation has in fact been recognized in the theories of marketing as an essential strategic factor.

Given the standardization of components, the final product must contain all of the values that the brand is capable of expressing and at the same time know how to communicate in a way that gains the consumer's preference.

The spasmodic search, nearly maniacal, to build a strong brand differentiation, through its products and services, thus finds a logical execution in design, which will express the strong identity that the company intends to offer of itself. Given the currently greater difficulty in recognizing the target market and its segmentation into well-defined socioeconomic layers, the brand will create added products and services for those that see themselves in its identity and search especially for its products and its services.

The challenge then, is to understand the role of design in the contemporary problems of the Italian system and whether the importance of the industrial art has been truly understood, for as Hermann Muthesius wrote in 1908, it "encloses an artistic, cultural and economic importance."¹

¹ Muthesius H. *Das englische Haus*, Wasmuth, Berlino 1908





For example, the fashion sector is taking on an ever more project based and less stylistic connotation; the suit and more appropriately, the fashion accessory (where revenues and margins are quite significant), must carry out very precise functions, they no longer have only an aesthetic value, they have to also be high performing products.

In this area, fashion is inseparable from design. The professional figure summoned is less often that of the stylist and ever more often that of the designer.

In this sense, we look more and more at the world of aesthetics and of high value added products following the path of research and experimentation in the field of technical materials, as well as that of natural materials accompanied by synthetic or artificial materials in order to improve performance, in addition to the exhaustive study of how to render the surface of the products.

Design is not, in fact, an autonomous activity, but instead comparable to a system in which there are a series of variables that interact among themselves and connect the entire design phase not only to the formal or technological aspect, but also to that general characteristic that sums up in itself the complete cycle which groups again the four links in the chain, or rather: strategy, design, production and distribution. In practice, making beautiful products that people like.

As Tomàs Maldonado said: "Designing the form means coordinating, integrating and articulating all those factors which in one way or another contribute to the process of building the form of the product. And more precisely, we allude as much to the factors related to use, to the fruition and individual or societal consumption of the product (functional, symbolic or cultural factors) as to those related to its production (techno-economical, techno-constructive, techno-systemic, techno-productive and techno-distributive)."²

Moreover, the same definition of industrial design, adopted in 1961 by ISCID, (International Council of Societies of Industrial Design), states that it must be completed within a process whose final objective is the concretization of a technical individual.

² Maldonado T., *Disegno industriale: un riesame*, Feltrinelli, Milano 1972.





The task of the artist is therefore to represent that which is not representable, to see the invisible, to hear that which cannot be heard.

That which has been and that which can be make up the present of the work: this describes or proposes a space that is between that which one can effectively see and that which it is possible to see.

One cannot avoid noticing the large influence exercised by technique and by the fact that this allowed the achievement of unthinkable results. But here it is fundamental to underline how it is not the invention, but the ideas and thoughts that accompany it, which are the principal promoters of the renewal both in construction as well as in aesthetics of contemporary products.

After the period of the first industrial revolution, where a still uncertain science examined the knowledge of artisans, there was a moment when the industrial product, in its reproducibility, tended to degenerate.

Regarding this, Muthesius underlines what was happening in those times: "The desire for well-being as the bourgeoisie, which was progressively affirming itself, felt a need for pomp, which could be satisfied only with cheap external means [...] That time [...] is that of the worst aberrations in irrational decoration as well as simulations of every kind. Surrogates and imitations celebrate their triumph. Wood was imitated with cardboard, stone with stucco, if not laminated zinc, bronze with tin".³

Furthermore, the historical review, although fundamental, is mostly an instrument for the linguistic investigation of objects.

Only when one starts to define with maximum clarity the scope of each product, deriving the form of the product logically from its scope and understanding how every material poses particular conditions for its processing, only then can industrial design be defined as such.

As early as 1936, Walter Benjamin, in his essay *The Work of Art in the Age of Mechanical Reproduction*, observes how art is not an independent abstract reality, but decidedly a moment of concrete relationship between society and the work of art, where the latter is open to constant "timings" and "changes".

For Benjamin, the innovation of the Avant-garde movement of the twen-

³ Muthesius H. *Das englische Haus*, Wasmuth, op.cit.





tieth century was not so much in the new artistic content proposed, but more so in the attention given to the technical structure of the work of art. The technical elements are not indifferent to the techniques, they are not casual empirical findings, but are in themselves real and true "poetry".

In this context, one can observe how Marcel Duchamp, with his works, destroyed that slight space that divides the work of art from the serial product, a space that is defined by reproducibility: the artist is the only one that can decide what is art and what is not.

Therefore, "beauty" is no longer a technique or artisanal mastery, but becomes a mental process. We are far from the concept of "goods", which Karl Marx intended. The serial product can become a work of art with increasingly divergent aesthetic values.

Soon after, the Bauhaus "will affirm that the aesthetic quality of the object must be the form of its function and the aesthetic form and practical utility are the result of the same process".⁴

We can observe how in every artistic product there is the presence of the aesthetic and irrational values, referred to an internal information, and of the semantic values, which prove to be logical and translatable.

"The reaction of the first artistic and literary avant-gardes can be read as a critical warning against the uniform aspect of the technological quality based on industrial production, in a first phase by mass society (that of Taylor and Ford). Precisely this ironic reaction of the poetics of the avant-garde to the world of mass production produced an outcome in terms of diffused and generalized aesthetics, and therefore the disintegration of those aesthetic categories from modern tradition".⁵

It is normal, in fact, to understand the term "design" to be all those activities that refer to the planning and formal definition of a product-object system. In a wider meaning, and in particular, in the original from English, design includes all the operations that are necessary for the execution of the object. The original meaning of the term, therefore, identifies an operative process that is decidedly complex and articulated.

In this text, design is referred to with this wider meaning, with a specific reference to its application in the activity of industrial production.

The term "design" is commonly referred to as the planning or design of

⁴Argan G. C., *Progetto e oggetto*, Medusa, Milano 2003.

⁵Carmagnola F., Ferraresi M., *Merci di culto*, Castelvechi, Roma 1999





something that can be produced in mass.

The condition necessary in order for a product to be considered the result of a design activity resides in the intent that fed the creativity of the designer and is reflected in the steps followed during planning.

This activity starts in research and development labs, follows with the actual project, passing for the engineering and production of a prototype and concludes (normally, but not always), in the preparation of production in a large or small series.

Design therefore identifies the activities, or rather the steps of planning, which have as their objective the definition of the characteristics of an object that can be reproduced in mass, such as:

- functional characteristics, through the usability of the object by the consumer
- economic characteristics, through the commercial viability of the product by the producer
- technological characteristics, through the possibility for mass production
- formal characteristics, through a captivating aesthetic.

As for the formal characteristics of a product of design, these should not be considered as derived from or subordinated to the others, aimed at a purely aesthetic connotation of the product, but rather they should be understood as a synthesis. Thus, the designer's activity should have the purpose of defining each of the various characteristics of the object summarized in an increasingly innovative formal concept.

The existence of various different interpretations of the role and scope of this activity has led to the use of caution in the formulation of axiomatic definitions: "Every definition risks being incomplete and imprecise, as it refers to a vast and complex sector [...]."⁶

In synthesis, we can identify two distinct approaches:

On one side, we find an approach that we can define technological, as it

⁶ Dorfles G., *Le oscillazioni del gusto*, Lerici, Milano 1958





is focused on the central role of technology. This idea, based solely on the process methods, requires - in order to be able to define the object as one of design - that it be mass produced, that it comes about through the intervention - not fortuitous, occasional, or partial - of machines and that it has an evident reproducibility. This, however, can lead to the definition of products whose form is the mechanical consequence of technical-economic-functional data, and therefore does not clearly point out the difference that exists between the designers activity and that traditionally carried out by a specialized engineer.

In fact, the reference to industrial production and mass production - which marks the limits between design, artisanship, and applied art - can raise objections when we consider those products that, even if highly technological, were created through traditional techniques, without utilizing, or utilizing very little, machines for standardized production; this idea is particularly applied in the fashion system, especially in Italy.

In this case we refer to examples made in few pieces, or even one-offs, due to the nature of their performance, their high cost of production, through their highly qualified artisanal elaboration, or due to their structural complexity.

It is the role of the manufacturing company, typical in Italy, which associates basic research with applied research and proposes innovative solutions to their clients, both in terms of process as well as product, in a continuous technological progress that has a sort of multiplier effect.

On the other hand, we find a second, opposite approach, which does not take into account the methods of the production process, but considers only aesthetic appearance.

This positioning avoids the difficulties discussed above, building a definition of an object of design that puts the accent on the external look of the fashion product.

This division of the product in categories, between an internal structure and an external form, which came about from the laws of the late nineteenth century that required that the mechanisms of machine tools be covered with a shell for safety and hygiene purposes, is thus elevated to a principle.

The designer is, therefore, in this light, a sort of shape stylist, specialist in the surface of the product, which on the surface remains bound to its planning.





"The formalization activity is thus completed after the planning process, characterizing design as a purely formal phenomenon. This tendency proved to be useful only in the area of rare consumer goods (luxury), while it proved to be unsustainable for other types of consumer goods and even more so in the area of instrumental goods."⁷

Similar positions, such as those seen, partly represent two misunderstandings with respect to the possible definition of the activities of a designer, a definition that requires not only the fine tuning of the problems inherent to this activity, but also the clarification of the problem related to its origins.

The current intertwining of technical and stylistic innovation becomes the secret to design, as it is a form of contemporary art.

Today, particularly in Italy, creativity and inventiveness, which are typical expressions of Italian tastes, prevail in a decisive way on the functionality of the product. Mass production, in fact, by rendering everything the same and impersonal, at a certain point led to the consumer's need to differentiate.

Keeping the relationship between form and final use equal, many products are affected by the continuous technological innovation that will end up revolutionizing this relationship. An example in this sense can be seen by the massive advent of electronics and miniaturization processes that, leaving wide margins for expression in the form of the product were able to shape a continuous evolution of style.

In this regard, among the more typical and characteristic phenomena of contemporary society, the reassertion of the symbolic element stands out, and which is expanding rapidly due to new communication channels, which make up the true fulcrum of our thinking.

At most, one can support the idea that the concept of functionality, at one time considered determinant, can today be substituted by that of semantics: an object, in fact, in order to be truly functional, must respond not only to practical, utilitarian, adequacy, material and cost needs, but also to semiotic needs, therefore matching form and meaning.

Along with the communicative and symbolic element, the other aspect

⁷ Maldonado T., *Disegno industriale: un riesame*, op. cit





that distinguishes modern society is represented by the rapid consumption and obsolescence that dominates all our activities.

"The men of opulence are no longer surrounded, as in the past, by other men, but rather, by objects."⁸ These determine our environment and we watch them rise, complete and die "[...] while in all previous civilizations it was the objects, the instruments, or the perennial monuments that survived human generations."⁹

For the rapid expansion of consumption, the rapid obsolescence of objects, and the consumer's request to personalize objects, design assumes the role of mass media.

The law of consumption has therefore an increasingly close relationship with the qualities of the objects and therefore with the work of the designer.

Consumption "to the satisfaction of those who theorize the crusade against it, seeing consumer degeneration as soon as a good becomes popular, is the unconfutable sign of the success of a product; it is the final phase, resolving and approving the entire process of design."¹⁰

The consumer, on the other hand, perceives the phenomenon of design not as an autonomous and global experience, but as a sort of added value, pertinent to every field: that of the body when buying an automobile, that of the furnishings when purchasing a piece of furniture and so on.

In this way, more or less consciously but in advance, the public came to understand that segmentation of design, which the critics have only recently come to see.

The consequence of this position is the recognition of various professional figures in the design world, each one corresponding to different fields of application: fashion design, brand design, furniture design, product design, exhibit design, material design,...

These constitute a further area of specialization that, given increasingly high levels of technology, tend to divide themselves into further sectors.

Here the definition of design formulated by Maldonado and related by Gui Bonsiepe in his book *Theory and Practice in Industrial Design*, and in substance that accepted by ICSID, seems to be the most consolidated: "Industrial design is project activity that consists in the determination of the

⁸ Baudrillard J., *La società dei consumi*, il Mulino, Bologna 1996

⁹ Ibidem.

¹⁰ De Fusco R., *Made in Italy: storia del design*, Laterza, Roma-Bari 2010.





formal priorities of the objects to be industrially produced. Not only external characteristics should be considered as formal priorities, but above all the functional and structural relationships that make an object coherent, from the point of view of both the producer and the final user. Because, while the exclusive preoccupation for external characteristics often hides the desire to render it more attractive or even to hide structural weaknesses, the formal properties of an object are always the result of an integration between various factors, being these functional, technological, economic or cultural. In other words, while the external characteristics concern something such as a foreign reality, linked to the object, not developed with it, on the contrary, the formal properties constitute a reality that corresponds to the object's internal organization, it is tied to it and developed with it."¹¹

This formulation, even if dividing the theory that the task of designers is to create the form of the product, presents a fundamental difference from the codified formalistic orientation.

The birth of styling radically changed the problem and, as a consequence, the evaluation of formalism. As long as the market privileges certain factors with respect to others, (economic factors vs functional ones or symbolic factors vs technological ones), the objects for which industrial design competes to create substantially change their physiognomy.

The validity of this definition would consist, therefore, in the possibility to define design in different terms with respect to the following different criteria that implicate, each time, a shift in attention:

- the socioeconomic context of the activity
- the complexity of the product
- the technological structure of the country of origin
- the higher or lower grade of dependence on objects from traditional artisans

Speaking of design, for example, in the fashion system, one cannot ignore the fact that the performance of this function can be coordinated, in the production reality, according to different types of organizations.

¹¹ Bonisiepe G., *Teoria e pratica del disegno industriale*, Feltrinelli, Milano 1993.





In all societies, the clothes that people wear have at least three functions (both latent and manifest): utility, aesthetic and symbolic of social roles. In every society, the clothes are more or less useful, more or less beautiful, and more or less indicative of the status of those wearing them.

If these are integral parts of the company that then incorporates them into the design of its products, or external to it, it is in any case easy that the same operative complexity of the function performed is reproduced internally (fragmentation of work, convergence of different technical and stylistic knowledge...).

It is however, necessary to note some assumptions that rendered this activity of external support a typical Italian reality.

This activity derives its nature from an adaptation of the entrepreneurial formula of the Italian fashion system to the managerial logic and new industrial needs of ever-increasing globalization.

In this sense, it is evident how the "Two processes of making goods are consequently and progressively blurred: that governed by the producer, the owner of process-production know-how, in series with attention to detail, careful choice of raw materials...; and, in parallel, the opposite of this, the custom made action on the design of the client or his demiurge, following the artisanal process of a single commitment. An expression of this is the crisis in some areas of haute couture, that did not perceive the end of unique tailoring, dead due to the death of the system that reproduced the learning conditions for a historically unique profession, born and developed in a certain area of the world and in a certain historical-cultural period, and unrepeatable." ¹²

In this regard, today design has a very different role, that of an active partner in the study and realization of products. This different role does not require only creative capabilities, but also technological, project, and evolved managerial competencies, coherent with both industrial needs as well as new requirements dictated and sought out by the final market.

Only in Italy did a similar industrial structure evolve and impose itself, in both quantitative terms and results obtained.

In Italy, the small structures and luxury products offer aesthetic excellen-

¹² Celaschi F., Deserti A., *Design e innovazione*, Carocci editore, Roma 2007.





ce and high quality construction. This phenomenon, which cannot be found in any other part of the world, is attributable to a concomitance of factors such as the centuries-old tradition of high quality Italian artisanship, which allows for a high quality of products to be produced in various materials.

Then, the typical characteristics of Italy, a country notoriously reluctant to standardization and at the same time organized on a modest national market that evolved later than other nations in Western Europe; as well as the taste and fantasy that have always characterized some sectors of Italian production.

Design moves between localization and globalization, or rather, the product is imagined for a global market, but is then produced according to a specific tradition and communicated with respect to diverse cultures.

To tackle the role of designer, it is imperative to linger over a series of guiding concepts that are at the basis of the logical process through which design manifests itself. For example, having more than one brand allows for optimization of logistics, financial management and personnel management.

There are also synergies to be had from making people from different companies work together: rather than creating a cyclopic structure that manages from the top, put people together to exchange information and in this way, a company acquires efficiency without subtracting roles from managers in regards to their single companies. In this regard, one can appreciate how design has, by its own nature, an interdisciplinary function; in other words, the designer, works on various levels:

1. in the technological sphere: directly in the planning, which includes productive technologies, materials, construction processes, product engineering, ...
2. in the aesthetic sphere: in the definition of the form, understood to be a compromise rather than a pure expression (defined also as "applied art").

From the above, it emerges how designers must work in fields that are normally distinct and possess capabilities of synthesis that are not common in other professional fields. Styling, on the other hand, is nothing but a reduced design activity; it is more particularly the exercise of applied art that





leaves to others the management of technical or economic problems.

We could say that the stylist is less worried about the feasibility of mass-producing a given product, of its ease of production and of costs. In other words, on the scale of project priorities, styling gives privilege to form over function.

It is therefore fundamental to deal with the relationship between form and function, as must be evidenced the different way of designing that arises from the weight and meaning that is given to the two terms: form and function.

The form is the exterior aspect, the physical configuration of an object. The function, is instead the use to which the object is destined; it is thus the type of service that it offers to the client.

To be clear, it is useful to take into consideration two opposite cases, in which the first or second term is favored.

Imagine that we need to design a lamp and a piece of clothing; we realize immediately that in the development of the project the functions required – making light and coverage – are easy to produce, while the form becomes decisive for the global success of the product. Probably in this case, all of the effort will be aimed at defining a pleasant, captivating form that raises interest or astonishes; the product will be designed with a net formal priority.

In the opposite case, that in which the functional problems - of production and use - become difficult, the form moves into the background. Examples of this type can be seen in utensils, in tools for building, mechanics, medical purposes and in all the products of engineering design and mechanics: all products in which the semantic communication is missing, which is usually expressed in form.

This division is only schematic and cannot be generalized. There are in fact, not products in which the function or the form are totally ignored.

The optimal condition is thus that in which there is a certain balance: to be able to respect the form in the function and respect the function of an object in its form. The objection is spontaneous: even a product that is very characterized in form, that communicates messages or feelings, has a function that in this case is particular, in that it coincides with a process of semantic communication.

Semantic communication is non-other than the transmission of the message that is contained in the form of the object; this, depending on the case,





contributes to qualify the user, or insert him in the context in the most consonant manner.

Historically, the evolution of thought has brought moments in which a formal setting was preferred and others in which the functional aspect was privileged.

From the beginning of the modern era, before industrial development, the artisans that produced objects did mostly applied art. We must go back to the Bauhaus to see a greater tendency toward eliminating decorations and therefore privileging the rationalization of content. This tendency dominated, largely unopposed, until approximately twenty years ago.

After Roberto Venturi "started" the postmodern era in architecture, the process that led to the reevaluation of form as a vehicle to transmit various messages and to vary the number of objects designed based on the context, enriching them with symbolic and evocative functions, was launched. This is why today's products increasingly tend to talk, to express the culture that generated them. The psychological content transmitted by semantic communication is now scientifically controlled by marketing departments that are very attentive to the reactions of the market and to users in every scope: "That the communicative effect of clothing surely involves something similar to language, even if it doesn't arrive at double articulation, seems quite obvious. It is clear that those that communicate with their clothing intend above all to evoke feelings and put a person in to a particular disposition."¹³

Semiology, a discipline noted for its linguistic-literary analyses, approaches design from affinity in the analysis of the object and becomes an integral part, controlling the symbolic and cultural message contained in the form of the object.

Shifting the elements that make up linguistic communication and adequately interpreting them, one can consider the communication developed by an object as a special case, although still valid, of semantic expression.

Communication is at the basis of culture; all that culture expresses exists as a function of the communications that run between sender and receiver. Culture, however, can also be understood as a set of texts, of codes and of objects in which the values of a society in a certain moment are expressed. In this case it can be understood as an open and fluid system, continuously evolving, and therefore the designer that finds himself designing something for the current culture creates an object which is immediately obsolete.





All of the solutions that are proposed are therefore valid for a limited time and a limited space; and thus the designer can never find a definitive solution to a problem, but only something that is valid for the context and moment in consideration.

As we have seen, culture, with its continuous evolution, generates obsolescence; the task of a designer consists in remaining up-to-date, looking ahead, trying to forecast future developments.

As culture expresses the continuous process of elaboration of texts, design represents the continuous alternation of more adequate products that take the place of the previous ones. In this sense, new products that enter into common use modify behaviors, customs and lifestyles.

From these movements we can see how the function of design and its influence on objects – and thus on culture – can be significant in bringing a real contribution to a new approach in the culture of Italian design.

But this doesn't all happen simply.

There is a constant in the activity of design, which one must continuously face: compromise.

Compromise intended at all levels; from the technical, rendered necessary in respect of mechanical organs and productive technologies available, to that regarding the formal-aesthetic choices made with collaborators, suppliers and producers of the object; in synthesis: from compromises on cost, to those of the market.

As an expert in mediations, the design sector must also have the capability to communicate with those that speak other languages, for example, the specialized jargon of design engineers or of the accountants that evaluate costs.¹⁴

Above all, the most onerous compromise, and possibly the most delicate, is that between one's own project choices and those of the industry or brand for which one works. The designer cannot and must not design that which he prefers, but that which is coherent with the mission of the brand, filtered though through the criteria that the industry imposes, because, in the end, it is the industry that makes the economic investment.

"The tailor takes the scissors and cuts. This is the most noble and human

¹⁴ Volli U., *Lezioni di filosofia della comunicazione*, Laterza, Bari 2008





moment in his work. After the cut, the fabric must be sewn, a displeasing job, tiring, inhumane: building. We know that today there are cutters and sewers. He who cuts, thanks to his work of destruction, has conquered a social position, while the man who sits at the table with his legs crossed and just sews, does not have one."¹⁵

Far then from the logic of "I like/I don't like", the designer puts into practice choices that must optimize some specifications that are normally in conflict with one another.

It is therefore always a question of choice, of a decision on how to execute the project.

The methodological planning does not fall outside of the scope of this decisional phase. To be more clear: when the designer starts working and enters into the operative phase, he must establish, from time to time, the steps that will most easily get him to his targeted objective, or rather, he must plan a methodology which will obtain the results of his search most rapidly.

During the first phases, the work is more theoretical, speculative; it includes, therefore, the creative process, competitive analysis, market research, product definition, objective definition and the formal proposals at a conceptual level.

All the project aspects that are not included the executive phase that follows are included here.

Actually, the conceptual phase, that in which the designer has the most opportunity to express his creativity, concludes relatively quickly with respect to the entire development of the project.

The creativity of the designer, applied in the executive part of the project, serves mainly to solve problems created during the development of the object, until it can be verified that all aspects faithfully reflect the initial intent.

One element remains constant, however, or rather the logical process that leads from the initial concept, fruit of a wide exploration, to the synthesis that, after successive approximations, reaches the final object.

With respect to this, two citations are useful regarding the concept of "creativity" that, today more than ever, is the fulcrum of the design activity.

¹⁴ Cfr. Turinetti M., *Dizionario del design*, Lupetti, Milano 1993.





It is the creativity of our time that is expressed through technology and experimentation at increasingly higher levels, to translate the creativity of the stylist into a methodology. Fashion is not an art that, as Adolf Loos said "does not need to be liked by anyone and is the private business of the artist." Fashion must be liked, if not by all, then by many and satisfy a need.

"Creativity is almost always the product of a group in all sectors, even of fashion, but in the past few years fashion has defined itself as the fulcrum of creativity. Creativity for us sociologists is the synthesis between fantasy and concreteness."¹⁶

The profession of designer, due to its versatility and stimulus, remains in any case a unique one, which will acquire even more importance in the future. The designer will become more of a designer and less of a stylist. Objects of design, which are today considered artistic by-products, will become even more objects of value.

New materials will be kept under even more control and the role of the designer will have more and more the task of interdisciplinary connector between super-specialists from various disciplines.

The designer will control the emotional weight of the object and the impact that the object could have on the consumer.

The generalized use of information systems will further change the methodology, to give more space to simulation and evaluation of the object.

To summarize, we can speak of the design process in which the various phases follow seven principal steps.

1. Definition of objectives, plan, program; all studied at the political and corporate level.
2. Project, production plan, operative plan managed at the technical level with dominant attention to the role of the designer.
3. Production, characterized at the technical level par excellence, with dominant attention on technological availability, on the velocity of their change, problems with budget, costs, etc.
4. Distribution, intended as a first level of commercialization of the product in which to implement the problems in the relationship

¹⁶ Loos A., *Parole nel vuoto*, Adelphi, Milano 1972





between product and user; in this case there are questions regarding, for example, marketing, publicity, coordinated company image.

5. Use, management and consumption, as a sociocultural level, with particular reference to the management of the product foreseen in the product phase in function of an easy utilization by the part of the final user.

6. Destruction, as a sociocultural level for which it is necessary to pay particular attention to problems with waste, ecological damage, etc.

7. Memory, as a cultural level of particular importance, both in reference to professional and intellectual patrimony of the designer, as well as to the collective memory, formed by functional and sociocultural behaviors as well as emotional phenomenon that the object may have created, whether referred to history or that is created in a certain moment and projects itself into the future.

Both the competition in the market and the velocity of information impose increasing attention to the development of new products, intended as new product/service systems more suitable for the contemporary market and, in perspective, capable of responding to the demand of a society hit by big and rapid changes.

From this perspective, we see how the company culture no longer embraces only the tangible aspects of the product, but is also interested in the intangible aspects. These could be: relationships with competitors and suppliers, value added services, different forms of distribution, the identity - both internal and external - of the company or the communication with the global market.

For example, Claudio Luti of Kartell proposes: share exchanges between companies that maintain strong autonomies, managed by a holding that could provide financial and distribution synergies. Carlotta de Bevilacqua of Artemide defines company stretching as a sort of intelligent licensing that can offer know-how to generate a project idea with other companies, expanding in this way competencies and diverse activities.

Therefore, it is no longer sufficient to plan and produce the product, com-

¹⁶ De Masi D., *L'emozione e la regola*, Rizzoli, Milano 2005





panies must plan and produce the entire offer.

It is here that the valorization of the product becomes essential, both for those companies that want to defend their supremacy, as well as for those that wish instead to widen their presence with larger market shares.

A global aesthetic without borders is imminent: Giorgio Armani sustains that complexity of style with his Armani Casa line of furniture and home accessories. Emilio Pucci launched a line of garden accessories produced by Cappellini. Agnola proposes a collection of afghans and blankets of exquisite cashmere mixed with silk. Roberto Cavalli worked with Italo Rota on a patchwork of porcelain and rugs.

On the other hand, the consumer aims at more critically evaluating the product by analyzing the performance, the aesthetics, the quality, the functions, the price, the distribution, the assistance and service: he definitely evaluates the purchase through the comparison of different products and brands present on the market.

To respond to these demands, brands focus therefore on innovating the product, supported by investments in research and improvement in services, in order to guarantee the uniqueness of their offer.

It is exactly the concept of FROM ITALY that determines the true added value that each product designed and conceived in Italy acquires in the collective imagination. A characteristic that gathers force from the creativity of the project, from the validity of the productive system and from the guaranteed quality. It assigns a surplus, a geographical and cultural identity to ideas, projects and people: in fashion, design, art, food.

Italian products are successful because they incorporate the signs of a desire produced by the Italian image that is in people's heads.

In this regard, the sociologist Enrico Finzi identified the ten key success factors of Italian knowledge and know-how.

1. Creativity: a taste for non-trivial innovation, of not repeating success models.
2. Quality of the project, mainly, but not only in the design: when an idea becomes reality, it finds agreement with the materials or at least with the constraints (for example costs), translating the ancient Italian art of fending, mediating, and compromising.
3. Obsessive attention to details: and to ingredients, mozzarella for





pizza or cashmere for sweaters.

4. Processing: often artisanal, in any case accurate, precise and even in love, and heritage of an ancient tradition.

5. Attention to details: even the smallest, which are often what makes the difference in a competitive international context.

6. Heat: a kind of passion that infiltrates almost everything that Italians do and say, that makes many foreigners perceive something almost erotic.

7. Rejection of that which doesn't work: a rejection of products which are beautiful and only that. The obvious Italian expectation is for a mix of appeal and functionality.

8. Taste for personal relationships: from the capacity to place things in exchanges between people to our way of thinking with our heart in hand.

9. Tradition and innovation: link that according to many is easier and more diffused here, given that we live and grow up in the midst of thousands of testimonials to what once was.

10. Irony: not only a taste for fun, but the intelligent ability to see things and ourselves from the outside, to not take them or ourselves too seriously, that leads us to be teachers of the Italian ancient art of well-being (and to make it a worldwide successful business).¹⁷

We see how the consumer is increasingly a consumer of signs, rather than physical products, of messages, of the immaterial and intangible significance of the product.

Even if technological performance is obviously important, an increasing emphasis assumes the ability of the product to transmit signs organized as symbols and symbolism. The function of the sign becomes, increasingly for its users, a means of communication.

Philip Kotler already recognized the need to redefine the the responsibility of design on the basis of the observation of the potential not yet taken advantage of.

If, in fact, in the context of global competition, a bitter competition on service and/or price results in lower profits, on the other hand a strategy of differentiation based on design allows companies to protect and improve their market positioning.





This observation underlines the unexpressed potential of design by highlighting some fundamental plusses of the product, such as: duration, look, cost and sale.

The look comes directly from the strategy adopted by the design, which, if on the one hand can differentiate the product through its typification, pleasing and particular, on the other hand can follow the principle that form follows function and thus search for forms that facilitate and exalt the function of the object, rather than pure aesthetics.

Independent of the real cost of the product, the design can in fact add a superior image in the purchase evaluation.

Fashion and design: contaminations, links and references pull together two worlds that are only seemingly distant. The consumer is always more attracted to the purchase of one or more lifestyles, than to simple objects. This all brings the design of a piece of furniture much closer to the creation of a fashion accessory.

The home is transforming ever more in a body to be dressed and decorated in fashion (precious fabrics, objects coming from the East, vases, candles, incense: the home must smell nice, be beautiful and pleasing).

Between fashion and design however, there are too many differences between production rhythms, distributive logic and methods of relating to customers: fashion is ephemeral, fast and fleeting, while design is a project, an object that remains, that leaves a sign and transforms into a tangible sign of a past made of values.

The possibility of an interaction between fashion and design: there are magazines that write indifferently about fashion, design, art, culture, and that propose transversal lifestyles. The companies in the furniture sector borrow research and experimentation of materials, forms, and colors (fabrics and upholstery) from fashion. Companies search, study, experiment, apply raw materials which are always newer and nobler and that lead to a diversifying design in terms of both performance and brand.

Personalizing the client becomes the real beginning: personalizing the relationship, but also the product offered to him. Thus implementing the process of brand identity reinforcement to become a lifestyle brand.

¹⁷ Finzi E., *Come siamo felici*, Sperling & Kupfer, Milano 2008.





Increasing the merchandise mix all-out by, for example, acquiring a tighter control of the value chain both at a production level – acquisitions, joint ventures, and strategic partnerships – and at a distribution level, through an increased capillary presence on the markets with the opening of flagship stores.

The new frontier of brands will be to attract the global consumer with a highly diversified product.

Accessories, at all levels, are therefore destined to play a fundamental role in this process of individualization and the true challenge will be to collect and understand individual needs.

Since the valorization of the brand is a synonym for business, high-end companies have undertaken a sort of spasmodic search to acquire companies and above all, production capacity.

We are speaking of sectors that represent true plusses of Italian industry, with a total value of production near 200.000 employees.

In many cases, they are small companies, not much more than artisans labs, with great productive competencies but little distribution and commercial capability, for whom a transfer to an important group is often a solution to the imperatives of growth and the problem of generational passage.

Acquisitions in this sense can create value when they concern companies with strong and under-exploited brands. In the fashion sector, for example, acquirers look in general, especially in leather goods, for companies with a return on invested capital that is higher than that for the clothing or perfume sectors. The value of the investment does not depend solely on the price paid, but also on the capacity to integrate the new company into the structure of the group and in the pre-existing panel of products, and thus the style of the brand.

It is clear that this is one of the key factors in an acquisition: the ability to integrate the new products into a well-organized industrial and distributive chain.

Buying a manufacturing company means in fact going on the search for a brand, but mainly for know-how and productive capacity that make up that continuous innovation in both product and process typical of the assets FROM ITALY.

To truly innovate, companies today need to have well-defined requirements: first of all, flexibility, another big plus of FROM ITALY. Productive





and industrial structures that are extremely dynamic and of the right dimensions are necessary to satisfy even small product lots. Because innovation, especially when being introduced on the market, does not generate large revenues.

The company must have the possibility to work closely, integrated and cooperatively with the various manufacturing companies.

Innovation must also be supported by an organization that has this purpose, and therefore willing to accept and challenge the new, without time limits given by seasons and commercial compromise.

Innovation must never be random, but the fruit of an important process of investments and research that must permeate all of the company culture.

A culture in constant evolution, standing strong on its own history and tradition, but open to change, even if sometimes this can put past successes up for discussion.

It is in this context that Italy has always had great capabilities in innovation: because the panorama of Italian manufacturing has never been dominated by large structures, but by small and medium enterprises, many of which are family-owned, and that invested a lot in research.

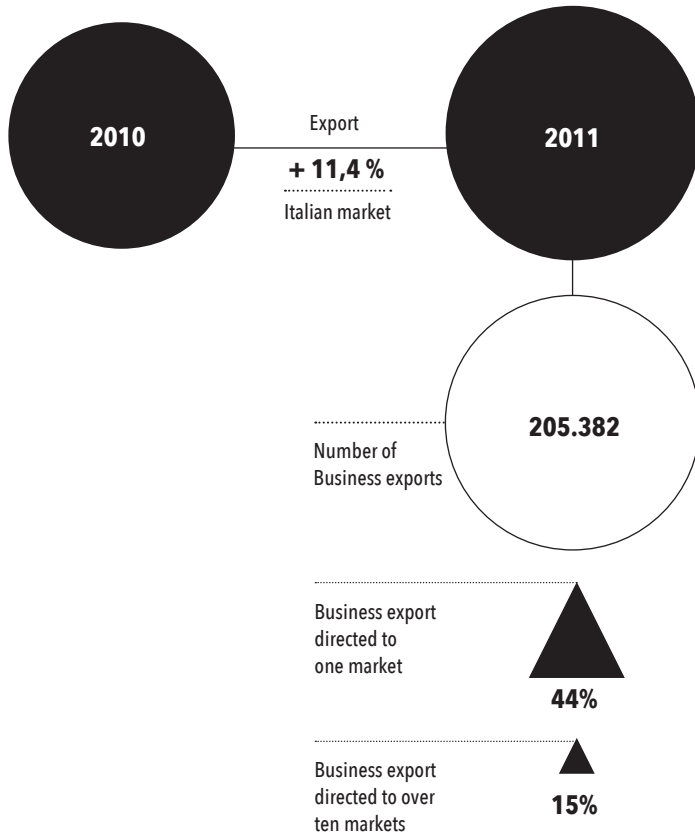
The value of the world luxury market can be estimated, according to Morgan





Panorama of Business on the Italian Market

A great artisanal tradition has allowed Italy to earn an active role within the global exports market.





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FROM ITALY





The Italian model: from supplier to partner

Stanley Smith Barney, as 63 billion dollars, which corresponds to approximately 10% of the global market. The key country suppliers are Italy, with 30% share, France with 25%, North America with 12%. Switzerland represents only 4%, focused mainly on the timepieces sector. No more than 35 brands, primarily European and North American, control approximately 60% of the high brand world market.¹

This phenomenon of selection, which started around 1998, brought about an increase in competitors, thanks to the effect of upgrading by many companies and the re-launch of many brands which had been inactive for a long period.

Certainly Italy is the country in which the concept of manufacturing is a synonym for a sought-after mix of combinations, which make industrial craftsmanship the true differentiator that allows production of added products and services (both material and immaterial) that can satisfy the ever-increasing standards imposed by society. Within these factories, almost 80% of the phases of the production process or procurement happen directly in Italy.

To maintain the high standard of these relationships, both in qualitative and operational terms, in a sort of co-marketing and co-design, today it is increasingly important to interact with our partners.

One can feel with precise determination the evolution of the high brand market, which in some way, obligates the purchase of higher competencies and, at the same time, to strive for an increasing intrinsic and extrinsic product quality. This quality is reached only by overseeing all aspects of the

¹ Cfr. *Annual Report 2011*, Morgan Stanley Smith Barney.





production process, in a decidedly maniacal way.

Creating a partnership does not mean, however, necessarily buying shares of companies: today the tendency is that to find producers with whom to set up exclusive collaboration agreements, aimed at the development of multi-year projects, and therefore the type of agreement that doesn't harm entrepreneurial autonomy and at the same time guarantees a highly professional growth for both parties.

Large international brands that work in the high-end sector collaborate with Italian partners with much satisfaction, where, as a team, the brand and partner company bring know-how, benefitting both. The path towards partnerships has in fact, been in the strategic vision of large international groups for a long time.

Brands come to Italy because it is in Italy that there are large productive districts, which in the rest of Europe completely disappeared decades ago, and in which it is still possible to find all the necessary competencies. It is in this regard that it becomes strategic to work at the building of company networks, creating real productive networks, taking advantage of complementary capacities and production types.

Being part of these networks does not implicate a renunciation of entrepreneurial autonomy, or control of one's company, but rather points of contact must be found, possibly even with competitors, to create strategic alliances that are not only financial, aimed at completing a project, but also to have a more complete assortment of products.

In the near future, the market will reward those that have had the capacity to aggregate and collaborate, offering, apart from the product, also complementary services which are increasingly flexible and complete.

The idea of high-end should find correspondence in a sort of true language, whose nobility is in relation to a tradition, possibly uninterrupted, of excellence and exclusivity: typical ground of FROM ITALY.

In reality, the effect of tradition implicates a strange process of sedimentation of signs, forms and notions, that take on a very precise meaning in the collective imagination.

And it is exactly in the consolidated tradition of high-end brands that an accurate perfection of the product must be imposed, as well as extraordinary service offered to the client, whether Business to Business (B2B), or Business to Consumer (B2C).





In the creation of the formal aesthetic characteristics of an innovative product, the style is an indispensable complement of the format.

Here is where the form interprets the function: the creativity and aesthetic sensibility of designers still have a way of, and more importantly a significance in expressing themselves by creating that value added which is typical in the expression of a hopefully unconfutable style, thus built of differences, and able to produce emotions and new expectations from the public.

Certainly, there is an emerging renewed interest in utilizing, after re-evaluation, formal solutions and stylistic details that take inspiration from archives, innovating the stylistic patrimony of the companies towards the future. In fact, the dedication given to details and particulars in all expressions is peculiar, not only for factors linked to the product but also related to organizational, distributive and communication aspects.

Time plays a critical role in the affirmation of a quality product or innovation, in that the consumer assimilates slowly the typical differences of the product and is even slower to consolidate. This global and coordinated vision is very close to the typical dictates of total quality management, intended as a sort of system based on the art-direction. It is important therefore to avoid exaggerating haphazardly in the diversification by using the brand outside of the specific competencies for which it is known.

It is also useful to limit the diffusion of the product, both to guarantee the conservation of its exclusivity as well as, mainly, to maintain control of the chain and reduce as much as possible imitations or counterfeits. It is important to combat the static nature and complacent attitudes of the organization that could lead to the aging of the brand and reduce the defense of the space conquered in distribution channels and in consumer's minds.

The typical characteristic of the quality product is given by the high value the consumer places on the intangible aspects linked to the product and its consumption.

The content of the product, its performance and its qualities are always outside of the discussion: they represent tangible differences and more so, differences which are perceived by the consumer, who therefore often accepts a decidedly higher price.

The fundamental base of top-end products is in any case the product and





its superiority, which must be perceived in a clear and unequivocal way by the client, in its performance, duration and reliability. It is, therefore a product which requires a costly development, high investments and implicates an exasperated attention to the needs and individual expectations of the clients.

In the value chain of the product/brand, each actor – the producer, his suppliers, or the distribution networks and shops – gives the content of myth that the product itself represents in successive phases.

The consumer, at the end of the cycle, gives back this set of experiences, to the market and to the producer, both by paying for the acquired product and by communicating – to himself and to others – the content of its worth.

In synthesis: the myth does not need to be associated to products which are only costly or trendy; the importance of the value chain of products made well must correctly and inseparably link the producer, the supplier, the sales network and the point-of-sale.

We see that the characteristics of top-end products can be principally traced to:

- the high value of the intangible aspects linked to the product and its consumption;
- to the acceptance of a superior price for the product;
- to the time factor, through which the diversity and myth are slowly assimilated;
- to the superiority of the product, guaranteed by its performance, duration, reliability and service;
- to highly personalized products;
- to the uninterrupted tradition and exclusivity through the sedimentation of signs, communication, and easily recognizable forms;
- to the perfect understanding of the particular dynamics of the evolution of trends through an accurate study of the image and development of quality at the highest levels.

The Italian model comes about through the industrial and post-industrial chain, typical of Italian textiles, which bears the weight of four centuries of cultural and economic predominance and the possession of 70% of cultural goods present in the world. This model is synthesizable, in fact, in a well-





structured integration of production; in a chain that starts from styling, moving to design, distribution, to real estate; in a single company or in many autonomous companies, always organized in a network.

FROM ITALY therefore also becomes a meaning for relocation as an option, intended as design that becomes attention to cultural values; distribution that becomes a true mark of territory; real estate that becomes value creation.

The strategies of diversification take on the role of "musts" in which brands take advantage of company synergies in terms of ideation, planning, production and finally, sales. These strategies have allowed companies to grow, affirm themselves, build an image and develop strong brands.

The effects of the diversification strategy of big brands on product specialists, as for example, the shoe, fragrance or jewelry sectors... will bring an invasion without boundaries on the terrain of the specialists.

In this regard, we can identify the sectors of birth of some brands such as Armani or Versace, that started with clothing, Bulgari that started with jewelry, Gucci that started from leather, or finally Prada that started from shoes and leather.

Concerning diversification through licensing, the current trend is still the lure of in house licenses on the part of brands, through direct production, instead of production through joint ventures with a partner or, through full acquisitions of producing companies.

Consequently, the lure of the licenses will depend on the type of products (productive and distributive know-how needed for products such as clothing, shoes, eyewear, timepieces, etc).

Another interesting theme is related to distribution, moving from independent stores through a massive policy of opening of single-brand stores, both proprietary and through franchising.

But there are callbacks as well – the phenomenon started several years ago – of sales structures to trade, in particular abroad and especially in the Far East through the creation of sales branches and showrooms.

Following this path, we can verify again how Italy is still particularly strong as a licensing country for many brands and Italian industrial labels, but increasingly even for foreigners.

The future prospects for the high-end companies show high potential for growth in new sectors into which luxury is moving, such as: home, design,





wines, food, tourism, ... This potential can be taken advantage of by leveraging the same key success factors as the Italian system (taste, quality, style of the product), but also by adopting the same marketing strategies used in the Italian fashion system (strong product identity, strong communication, direct distribution).

FROM ITALY:

- idea and development of concept
- product innovation
- process innovation
- aggregation of necessary competencies
- communication of brand
- flexible production
- personalization
- single-brand stores

In this sense, we see a consistent passage of elements from different areas, increasingly aimed at typical peculiarities of the products with a strong aesthetic value.

We can then talk of a marketing aesthetic, understood to be an instrument to investigate symbolism, a valid motive for purchase, as an expression of quality and valorization of the identity of both the brand and product.

This is why in current projects we note a decidedly interesting research into the details that show an accurate realization of the whole product: indeed, with this operation, the intrinsic and extrinsic qualities of sales and exhibition are exalted but even more so the communicative value of the brand.

For example, sectors such as fragrance and cosmetics become true basins of interest, representing 25% of the top-end world market.

After the first fragrance, normally others follow, along with variations on the same fragrance: we can clearly see the tendency to take full advantage of the strength of the brand.

The second tendency concerns goods with high technological content, such as hi-fi systems of a particular level, high definition screens, telecommunication systems and others. These two sectors have surpassed in profits





even designer clothes or home accessories and furniture.

The value of the top-end product is given less from its economic value or its ostentatious superficial wealth, but more from its capacity to evoke emotions and sensations which are infinitely pleasing and unique.

In fact, the element of excellence comes into being when this specialization is presented together as absolute quality and tradition.

Artisanal quality and quality of detail are at the same time both distinctive and unifying elements of the new home luxury and, even if this sector is conditioned by the dynamics of high finance and globalization of markets, it remains and probably will remain a sector in which the products tend to have a high artisanal content, or at least semi-artisanal.

Furthermore, high-end production will continue to be made in countries with high production costs, such as Italy, in order to guarantee performance with extraordinary know-how and quality, along with competent labor. Well-being, beauty and health are continuously widening their horizons,

Aesthetic of abduction: The pursuit of essential

Brand peculiarities become essential elements for the value construction of the brand identity in itself.

ENGINEERING
OF EMOTIONS

PERFORMANCE
ADJUSTMENT

PRAISE OF RARITY

REDUCTION
ETHIC

**Aesthetics
of abduction**







Specialization and de-specialization united for design

and due to the desires of a particularly vast public, now include new commodity sectors.

For companies, the opportunity to participate in all fields of the well-being economy, but in particular in the free-time sector, is increasingly available, as long as they can continuously innovate and offer premium products.

Well-being, now more than ever, embraces wider markets, as the approach to products and services is transforming - companies must increasingly interpret them as multiple ingredients used to better the quality of life.

Wellness, in its widest sense, is no longer anchored to traditional styles. It now reaches goods that extend from food (healthy and genuine eating), passing to fitness and cosmetics, and arrives at comfort (be this the home, office or a public place) and optimal and gratifying use of free time (which also includes time that would not otherwise be utilized, such as waiting in airports).

This is again the fruit of an innovation that imposes itself, that solicits new habits, dictates new canons, stimulating and feeding the growing demand for well-being and beauty in all senses.

The search for comfort and psychophysical health, also known as wellness, remain, and are even developing, despite the financial crisis, due to a desire to maintain the lifestyle already obtained and consolidated.

The first to take advantage of this are the cosmetics houses, which are very attentive to the beauty trends; they search for innovation by partnering with famous doctors, creating the now famous "cosmeceutical" products, or rather, highly effective cosmetic treatments that contain pharmacological active ingredients and attract the market with new promises.

In this context, even medicine becomes aesthetic, with professionals offering new techniques to foster beauty.





Even our smile, which used to be confined to operations only in case of medical need, with aesthetic intervention only in the case of trauma, or vice versa, in very young patients, today its role in the front row is recognized. Whitening, alignment, repositioning: revenues of dedicated companies are growing, and we see conversions of specialists of dental health to centers for dental beauty. Almost invisible, the aligners are liked by men and women over 30, but also over 40 and 50, who don't feel penalized having to wear them even during work meetings.

Medical progress, and the social evolution that followed, has transformed braces into an object to be worn, to talk about, to confront.

As with eyeglasses, already a fashion accessory and not only an instrument for correcting vision problems, even braces are now perceived as a new status symbol, nice to have and (almost) beautiful to (almost) see.

An oxymoron which testifies to the fact that even in difficult economic times, cuts in spending are not made generically on everything, but instead we privilege and conserve those things that can bring psychophysical well-being.

On the wave of progress in cosmetics and orthodontics, even dental aesthetics, therefore are getting lots of attention, they have already moved from a desire to a need.

In this context, even spas are multiplying: wellness centers are being added to beauty salons and are important and profitable services of hotels. In this unconditioned growth and proliferation of wellness services, even the critical consciousness of the public is growing, therefore leading to a natural selection of the best.

To take care of oneself today, people expect innovative products, they look for the service and competence that only professionals can guarantee, or rather places and offers where consulting services, quality, and... prices are increasing. Therefore, while time and space are changing, even wellness opens a new chapter, where paradoxically the crisis has accentuated the phenomenon.

The aim is in fact, to have the help of specialized personnel, integrated approaches that foresee increasingly sophisticated qualified services, large and discreet spaces, innovative products – from the healthy cut to food-based creams – preventative as well as curative. In other words, quality, service and competence alone seem to no longer be enough.





Spas, wellness centers, fitness and beauty salons: these are the contemporary temples where the cult of beauty is celebrated. They must be capable to communicate, even through their environment, the authority of their professionalism and at the same time be trendy.

Even the refurbishment industry, from designers to planners to material suppliers, have become participants in a wellness economy that is progressively widening its borders and expresses itself both in environments which are traditionally dedicated to wellness, but also in the domestic environment, which increasingly cannot be considered foreign to this purpose.

Therefore, strongly stimulating opportunities are emerging in the most diverse markets, where only immobility will not be rewarded.

Even the airport is taking its own connotation of well-being. No longer only an area of transit, it has also become a dispenser of wellness. Airports now host gyms, spas and beauty salons and have demonstrated the ability to take advantage of new commercial opportunities, to offer premium services and to satisfy latent (and non) needs for contemporary travelers.

As well as to be able to insert themselves in the new current of health.

The sectors that play in the wellness segment are rapidly expanding, seemingly almost contiguously, as the reflection and impact of each can bring a change in the health and quality of life of everyone.

In this revolution, demarcations become labile, opening new paths, uncovering new possibilities for doing business.

The development of large companies in the food sector has been emblematic. In the western world, they were limited in the sale of traditional foods, and progressively aimed at offering functional products, offering a good dose of innovation and targeting the desires of consumers, who were willing to choose and guarantee themselves products that offered health benefits, even if at a higher price.

A big opportunity, then for companies with many sectors called upon to offer strongly selective products, increasingly articulated and innovative and always more aligned in the direction the customers choose, or rather "wellness desire."

Goods with added value land, by right, in the top-end of the market, as they outclass traditional products and win because of sophisticated contributions, adherence to the new cannons of lifestyle and innovation.

This pairs up with a continuous but natural orientation of the public to-





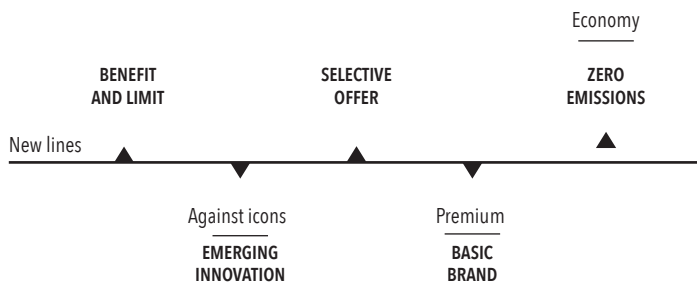
wards premium products – not necessarily ostentatious but more meditated, intended to ensure an interior happiness made of well-being, personal gratification, release from the domineering and repetitive rhythms of daily life.

For companies, therefore, developing and glorifying in any good its value added contribution, in terms of health and well-being, will increasingly help them create premium offers, to build product upgrades, thus satisfying more easily the changing needs of the market.

Not only products and services; today even chefs, designers, events and

Directions of brand strategy

Recently, face with market developments, many companies have started to seek innovative strategies providing a cross interpretation of traditional marketing.





The complication and completion of the brand

technical products can transform themselves into recognized brands: it is the information and formation of the public which makes the difference.

That we live in a world which exalts individuality, the affirmation and celebration of the single, be this an athlete, singer or designer, should not surprise. The news is, if anything, in how these people, not always real icons, know how to transform themselves into a brand in all effects and manage it with complete awareness, almost as if it was a commodity good.

From Laura Pausini to Davide Oldani, characters with different activities, backgrounds and origins have transformed their names into brands, and their brands, inevitably, into industries.

Laura Pausini turned herself into an extraordinary merchandising machine, that produces a hundred million Euros per year. A singer turned myth and thus brand, certainly of extraordinary value.

But whereas music has always cultivated legends, and today it is probably just the system that is more organized and the diffusion which has been simplified, there are sectors, events and professions that until yesterday were less praised and that have effectively evolved to the point of originating successful brands.

In kitchens all over the world, high-end chefs have emerged, capable not only of pleasing palates but also of invading new territories, not always and not only near their places of origin. Stores, catering services, locales in franchising, publications, television shows, tools and cooking supplies signed by chefs as well as models of retail restoration are being created. Successful and intelligent business models are being developed.

Davide Oldani, for example, besides his locale, brands design and high-gastronomy products, aiming, as he does in his own kitchen, for high quality and genuine ingredients. He is a guest at conventions that, after his input,





celebrate his image, his words: this way, stating his name in multiple areas, he amplifies his notoriety, favors an expansion of his clients and feeds his own brand through himself.

And the examples could continue.

Therefore, professionals that, step by step, even starting from simple restaurants, reach the point of changing their name into a brand, giving it traits, an identity, details; they learn to apply it to products and/or services born from a precise logic of brand extension, sometimes even as a simple and natural evolution of a business, even if small. Everything exactly as the huge marketing multinationals teach.

Even fashion is following this trend in certain aspects.

Many brands that were forced through the years to give up their original stylist, leaving the backstage honors to the designer heirs, today are reclaiming the role and the figure of a stylist and make it a point of pride, an object of communication for their collections. An attempt, perhaps to give body, face and soul to the brand, differentiating it from the others and maybe even a way to highlight innovation and exalt change.

Therefore, a brand is no longer enough in an of itself and needs something to complement it in order to enrich its personality.

Men, professionals (not necessarily the best or global), have transferred themselves and their specificities into a brand and have declared it and applied it to activities with a thousand faces, including well consolidated marketing and communication initiatives.

What can we say then about events, teams, retail?

Football teams migrate abroad to get known: the sponsor reaches the point of writing its name in ideograms to face the markets of the East. The Inter football club opened stores in Beijing and Shanghai and has a website in Chinese. American basketball teaches us: it created an annual around-the-world tournament, so that the brand, evolving in a continuously increases its notoriety and builds interest, finds new sponsors and fans, widens its base.

In the same way that supermarket signs are no longer only identifying elements (and haven't been for a long time), they found many uses that from a first price product has helped them evolve into different types of goods and with extensive qualities.

From food to gear and clothing for sports to fragrances, much has been done, and if the start was timid, today much of large distribution has rea-





ched, through private labels, the point where they threaten even market leaders in various sectors.

But there is still unexpressed potential, the numerous references and related specializations as well as the variety of choices available still have, especially in Italy, large opportunities for development, application, extension.

It is not just large distribution that can produce products with their own brand; all of retail has, at least potentially, a way to "brand", using its own name, products and services of any kind, from clothing to electronics, from toiletries to spas to, as described above, restaurants.

Therefore, from chefs to department stores and shops: today everything can potentially be transformed into a winning brand, with its own identity and character, a distinctive sign, and one that differentiates.

Brands increasingly indicate the boundaries of all that is without identity or notoriety, and are no longer the exclusive patrimony of few products and sectors.

It seems implicit to affirm that a good, service, or a person exists as a brand in as much as he is capable of transferring himself and through himself, his world and his peculiarities, to the world.

The setting is not new, but the implications and the impact are interesting since it is increasingly common today that it is the business which becomes and transforms something or someone into a brand.

But what sets forth the passage, the declaration, what favors the opportunity, what feeds the interest and the credit that these brands are awarded? Above all, are there markets or products in which the brand does not play a substantial role towards the public?

The battle to measure the value of a brand has been going on forever and is resolved only theoretically. We speak of image, perception, experiences, notoriety: all aspects that certainly participate to name and "weigh" a brand, but never in an absolute way.

It is surely innovation, the quality inherent in the product or service that certifies the value of a brand, especially in times of strong competition and structural crisis. Still, beyond validating itself, the effort required by many brands – once an identity has been established, that cannot be changed – is to know how to transfer a message and, increasingly more frequent, especially in complex or niche sectors, to know how to divulge knowledge of that





topic or sector.

To make and know how to transfer culture, notions, information. Public characters that become brands have the obligation, to promote themselves, to spread first, their universe and style, then to bring the public in contact with cooking or design, promoting new sensibilities and interests.

Asserting a brand in an untried sector means wanting and knowing how to feed culture to individuals that progressively learn to know, evaluate, interpret; the public learns first, then gains interest.

Many of these activities in fact, belong to niche sectors that have slowly expanded to targets outside of their circle. The sensation is that a the patrimony of a company, industry or even an artisan, enclosed in a process and synthesized in a brand, can and must be declared, remarked and exalted, until a decisive affirmation is reached.

Even the traditional divider that existed between businesses that work in business to consumer from those working in business to business has slowly weakened. Striking examples exist in the building, electronics, and automotive sectors.

The technological imprinting in which contemporary buildings are imbued has brought even nonprofessionals in contact with domotic companies, it has given visibility to companies that create facades, heating and cooling systems, and much more.

In the automotive sector, typical peculiarities of the racing world and its followers have been heaped into the most common sedans, becoming common knowledge for many.

The process is not however, finished. It is in continuous flux, involving the most diverse products and services, putting very few limits on the extensive potential of brands which until yesterday were known to few.

Here we see that even brands that were confined to only technical experts can affirm themselves with a wider public by embracing philosophies and realities which are less a niche, thus reaching a better coverage of their territory.

As mentioned, the prerequisites for these surprising and numerous declarations by a brand are creativity, innovation and quality.

The brand must blend within itself a community of values, thoughts, projects. The true brand exists if it synthesizes a passion which gives it a soul.





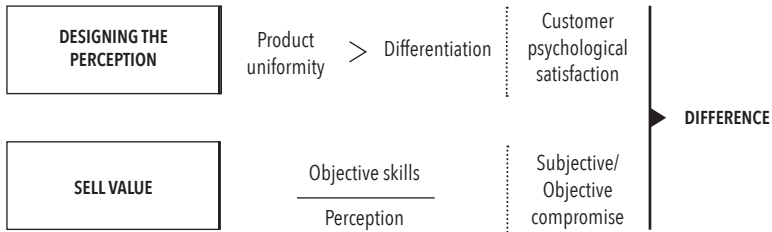
Today then, not only goods but also individuals, events, specialist products and much more can be transformed into a brand, but since the overdose from brands is now confirmed, each one must have an identity, content, characterization, personality and differentiation; and then communication and information.

And although there are extensions, variations, and applications of all kinds and for the most diverse products, much more can be done by studying and searching different territories, learning from brands which are far away with regards to market, but stimulating to apply.

Thus opening up to successes without limits, of sector or dimension, and in which the brand becomes the essential motor.
Today, a scenario of corporate-design is increasingly emerging where iden-

Perception and Value: aspects in the selection of the product

The brand success is connected to key aspects identification which figure out as selective value in order to promote to consumer an effective brand identity.







Dichotomies between licensing and merchandising

tity rises to be the real multiplier of value and where coordinated product diversification strategies and new distribution formats contribute to increase brand equity.

Brand protection needs to follow this direction, and always be developed through the cooperation of the creative sectors, marketing and legal.

It is extremely useful to consider the efficacy of corporate design in a classical sense: to measure the impact of the design, the ability to generate memories in the consumer's mind, to transmit a message, to create a link between communication activities and brand activities to generate long-term value.

Licensing doesn't just mean giving away a brand with a license, but also brand extension, merchandising and contracts intended to offer the possibility of extending the brand into other merchandise sectors or into other markets through an increase in variety.

It is precisely these movements into new fields of application and different sectors, (food, furnishings, automotive, drinks, cosmetics, credit, energy, entertainment, pharmaceutical, information technology, media, fashion, sport, health, services, territory, utilities, travel, etc), that allow brands today to upgrade.

The relationship that is built between the licensor (the owner of the brand) and the licensee (the producer/distributor of the product to be sold), is in fact, crucial.

Opportunities in this sense:

- for the licensor: new communication and distribution methods, penetration of new markets/countries, brand protection, market segmentation;





- for the licensee: immediate start up since the brand is already known, use of the brand for new business, upgrading of the company.

To better interpret these concepts, it is a good idea to understand the correct definitions of merchandising, co-branding, line extension and brand extension, as well as to identify the tasks normally given to the licensing agent and the licensing consultant, with particular control over licensees.

The owner of a brand that decides to create products that are not part of his core business can manage the operation autonomously or concede licenses to third-parties to complete the operations in a mixed fashion.

Below we go into some detail regarding the most common types of licenses.

Merchandising

This method uses the brand license principally for promotion and to increase customer loyalty towards the brand and/or the typical product of the licensor.

It groups together activities intended to promote the diffusion of the brand based on the product, considered in the space of its core business, through the creation and production of a series of products destined to its own clients.

This is the action where we see the most objective applications in the market, but it can also be performed on different levels. The examples are numerous, but in the majority of cases, they are objects of low value and price, objects for wider distribution or simply gifted.

In rare cases, on the contrary, there are huge investments in dedicated stores in the centers of important cities of the world and clothes designed with particular care.

In all cases, though, the purpose is always institutional (or rather, at the service of the brand and/or product and/or activity and/or typical service of the core business of the licensor) and aims toward diffusing and promoting the brand in the space of the same consumer which the company normally targets.

Co-branding





This method uses licensing for operations destined to the association of the brand to other products that have coherent (for reasons of positioning or target group) brands.

It is difficult to generalize this type of operation, as there could be many particular cases that joined different styles to create a new hybrid, as for example happened with the concept of "sporty" brands.

The objective is, in any case, the reinforcement of the brand, with the specific aim of communication, and sometimes even new market opportunities.

Generally the combined brands come from two different merchandise sectors but which are both targeted toward the same public/consumer.

Line extension

The most common use is through pure licensing contracts and consists in a license which gives the rights to use the brand to a large number of licensees, increasing the product offering, with the fundamental aim being to increase profits through the receipt of royalties.

Understandably, this activity works within a brief or medium-term time-frame. In certain cases, the brand obtains a wider diffusion, but not necessarily improvement in image, which can actually result in major damage.

Think, for example, of Pierre Cardin, who, through the nearly six-hundred different licenses conceded around the world, earned noteworthy profits, but at the same time ruining its brand image beyond repair.

Usually in this method the widening of the product range starts from sectors near the core business of the brand, in this way developing licenses in sectors where there is an affinity.

This particular mode is a sort of hybrid, where the license has the same objective as with brand extension, but where there is no longer a complex project associated with this other activity.

In pure licensing activities, the consumer perceives the products as a projection of the brand in the same reference area, due to the coordination of the brand image.

It is not a coincidence that it is sometimes referred to as brand exploitation.

In this activity the so-called coherence grid, also referred to as positioning choice, of products and target group, has very large links.

Brand extension





Thus we come, finally, to brand extension, which is the most complex and sophisticated experience in the field of marketing and licensing. It is mostly used in long-term projects and, if done well, can contribute to an important value creation for the owner of the brand.

The reason for this is due to the fact that brand extension projects are complex and structured and are necessarily based on the identification and extrapolation of characteristic values of the brand. These are then reaffirmed in different merchandise sectors, chosen on the basis of those extrapolated values and coherent with each other, but not necessarily linked to the original product (sometimes completely different).

In this case, the conceptual coherence grid has much smaller squares, and as a consequence even the choice of which of the various options to implement becomes a determining factor, variable and very delicate, for the entire duration of the process.

The objective of this activity is, first of all, focused on the creation of an alternative and inimitable communication through the new products, creating therefore consistent potential returns from royalties matured.

We can call it a communication activity with a positive cost.

Therefore it is no longer brand exploitation, but use of the same and its strongest and most positive content and values.

This type of activity doesn't necessarily need to come from brands with particular positioning in the luxury or fashion sectors (even if the cases coming from these sectors are numerous), but rather with values of the product and image which are credible, unique and strongly defined.

Among the various activities for developing projects of pure licensing, the owners of brands and/or people (brands and/or characters for the most part) or even events (sports, music...), entrust the work to professionals in the sector, through agency agreements (this is the normal case for owners who are not resident in the territory where the considered activity will be carried out).

The licensing agent, (or licensing representative), is typically placed in the marketing/sales area, being that his activity is mostly focused on selling rights to third party licensees, rather than strategic marketing or project creation.

These last activities, in the majority of cases, are done by the brand owner, as with the areas of administrative control, legal, and brand protection (also





considering the contractual agreements that typically reserve this action to the brand owners).

In the brand extension activity, on the contrary, we normally speak of consultants and not of agents, as a wider professional description is needed, as the consultant has more extensive tasks, such as the conception of the strategic project for the offer (sometimes supported and validated by a parallel business plan). Or, the search for licensees, (similar to pure licensing), the development of commercial negotiations that lead to the definition of the licensing contract and, finally, assistance in contractual discussions between licensor and licensee, assuring that all the indications of the licensor, - in terms of product approval, material and communications approval, indications regarding copyrights and respect of commercial policies that may be defined in the contract - are understood by the licensee during the course of the licensing agreement.

Naturally, in both of the above contexts, the responsibility of the consultant and the agent cannot be considered "objective" and every control/action is assigned to the owner, who alone has the contractual power to act against the licensee.

On the other hand, the consultant or agent is typically a small company or professional studio that has as its main task the transmission of its specific know-how and who, by definition, doesn't (and couldn't) have other types of competencies (productive, administrative, fiscal, logistics, etc).

For example, it is not part of the powers or tasks of the consultant or agent to proceed with activities such as administrative audits or quality control checks of the licensees, that are in fact assigned (where necessary), to specialized and qualified entities. It remains obvious that part of his job is to make his experience available for the choice of the specific professionals to consult or to work with to hinder any possible anomalies, in the broadest sense, that might emerge during the project, or of which he became aware during the performance of his activities.

To confirm this, in some, not infrequent cases, (most often in the area of Anglo-Saxon contracts from which this ample subject arose), it has happened that the consultant or agent is purposely and formally nominated in the licensing contract between the licensor and licensee and that he may even be called upon to sign the contract.

This happens when the licensor wants to give more representative power





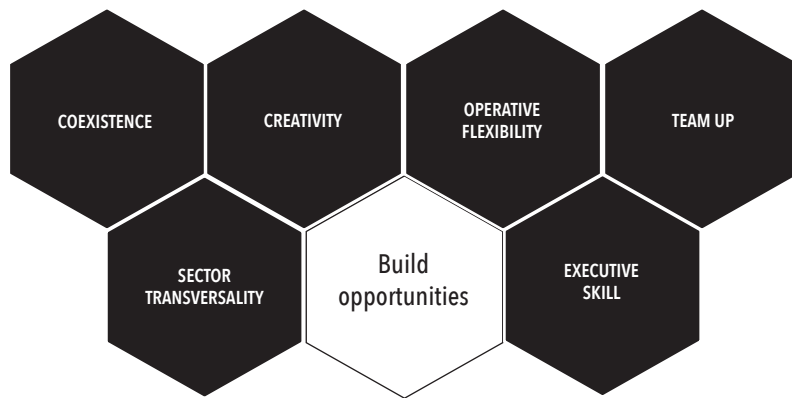
to the consultant or agent, or else for better administrative management in the specific area of licenses, when the consultant or agent is assigned by the licensor the task of invoicing and collecting the royalties matured by the licensee (when the role of the consultant or agent covers areas not only for marketing consulting, licensing, and brand extension, but extends to a type of administrative and management assistance).

Even in these cases, though, the area of action of the consultant or agent is never extended to direct and in depth controls, which remain the sole job of the licensor (owner).

Examining the ever more stringent relations with the activities of brand,

Made in Italy: expectations and values

In the new market panorama, brands promote different strategies and networking models to create product design alternatives and unordinary ways of distribution.





New frontiers for brand upgrades

extension, contract, and merchandising, the themes of licensing develop areas and activities that are now interconnected with a single common objective: finding business growth through applications of the brand with a positive result.

It is, in fact, the ability help the the value of the brand grow and enrichen, rather than weaken and denaturalize, the key characteristic of those that have to manage licensing, brand extension or merchandising initiatives, in particular when they are in the high-end sector.

A constant and obstinate orientation toward upgrades, aimed at contrasting any type of process that erodes the brand, which is both easy and insidious in the multiplications of use, through the study of information from correlated contexts regarding strategy, planning, communication, and distribution.

Licensing as a design project

Design synthesizes the elements making up the identity of the brand, becoming an instrument of communication, as it is an expression of a comprehensive project that the brand needs to convey.

It is necessary, however, to form the aesthetic planning in close connection with the brand and to take into account feedback from the consumer regarding the global identity of the brand.

This translates into a relationship of intense collaboration between design and marketing, a different relationship, in which design no longer has a marginal role with respect to the technological content of production.

We see how, in fact, many functions which were traditionally attributed to marketing, are today essential components of the design process.

A project that reflects the true identity of licensing that the company in-





tends to show, acts as a coordinator and unifier of all the variables of the marketing mix, as it creatively translates a rational process of strategic formulation.

Brand extension as an opportunity

In this context, the most innovative strategies of branding are applied to new products: the choice between extension of the line or brand, the launch of new brands or sub-brands.

The intervention strategies take into consideration various actions on the line, such as: the lengthening, the completion, the modernization, the definition, the simplification.

One can surely affirm that if the extension of the brand is in itself an idea, that through the activity of value creation it constitutes a highly intense process of knowledge and ideas, generating a sort of creative capital in which to absorb and learn from experience, through a methodological process.

From this comes the necessity to observe the phenomenon of brand extension not as the result of a single initiative, but rather, as a process that develops over years and that leads to the creation and accumulation of knowledge and competencies, whose systematic management is one of the key factors that support competitive advantage.

New core business contracts

The most competitive brands that now occupy the most prominent market positions are those that are most oriented toward the construction of a network of relationships: promoting, coordinating, and optimizing the vertical and horizontal relationships of the company and of the whole chain, always protecting intellectual property, to avoid copying, in the direct attempt to raise their target.

Through partnerships, companies will then build a sort of community with their clients and suppliers to obtain immediate feedback and identify new opportunities, answer needs and develop complex and multi-year projects before the competition. Thus innovative business models are created that, through the contract, interpret the new forms of exercise and direction of the activity.

The inclination, for companies with well-known and high added impact brands, to migrate toward large scale suppliers again shows the interest in





giving value to goods and activities that were, until yesterday, relegated to anonymity and indifference.

Merchandising as extended communication

The vertical and horizontal extension of the strong points of the product, along with the analysis of demand expectations and the characteristics of a correct competitive positioning, compete to determine the various expressions of merchandising.

Changing through time and space, even in markets that are globalized, but with individual characteristics, the merchandising activity needs, especially for high added-value brands, a healthy balance between variety and quality.

This brings the choice of suppliers and once again, the monitoring and quality of the entire production chain, to the forefront of the company management's focus.

In this way, even merchandising becomes an instrument to collect and distribute value by adding to itself the objectives of communication and diffusion of the notoriety of the brand but also as a balanced vehicle of its identity.

In synthesis, we can speak of a structure in which method and organization together allow for the development of a synergic path made from: value construction, license planning, creative process, identity and brand protection.

Value construction done through licensing, brand extension, contract and merchandising:

- > licensing: the study of the value chain of the brand in order to exalt the communicative values of the brand and the various definitions of brand extension;
- > brand extension: new potential in terms of brand positioning to build a system of coherent relationships between products and different merchandise;
- > contract: implementation of codes for contracts of international quality with a sophisticated production that leads the contract to become licensing;





- > merchandising: the personalization of the product through creativity and strategy, passing from the concept of third-parties to that of partnership.

License planning is carried out through marketing, strategy, communication, distribution:

- > marketing: analysis and research to identify market needs in reference to the product's definition, price, promotion and distribution;
- > strategy: strategic planning capable of interpreting desires, generating originality, declaring in every facet the brand's reach;
- > communication: multiple opportunities for the brand, where licensing is the only system of communication with a "positive cost";
- > distribution: the strategic importance of the relationship between licensing, distribution structure and fair traditions, through the analysis of new trends.

Identity and brand protection are performed through trademarks, legal protection, royalties:

- > trademark: the potential of the brand, applied to goods and services for the value-added extension of the range;
- > legal protection: valorization of the innovation and creativity for the safeguarding of the brand and work of the designer as prevention and defense from incorrect utilization;
- > contracts: declarations of the brand disciplined by license agreements: the various types of contracts between licensors and licensees, as well as contracts between subcontractors and suppliers;
- > royalties: legal activities, norms and planning associated with the different types of products depending on the value chain of the brand.

The creative process is performed in a sort of architecture of the project, design, production and value added goods:

- > project architecture: maniacal development of the building of a correct coherence of the brand through an operative model of selection of new

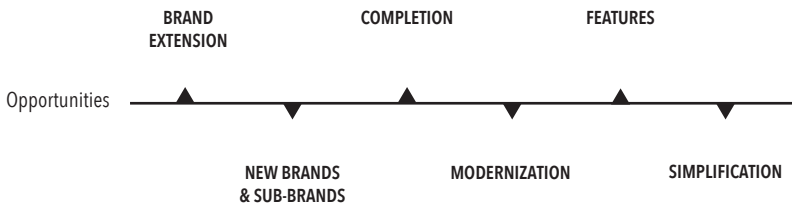




- quality ideas;
- > design: planning of design in all of its components and management of the realization of new products useful for brand extension;
- > production: from licenses to production through the choice of the standard/objective of high quality: who, what, where and how production should be;
- > value-added goods: what to offer and sell to diverse markets that no longer buy due to need but for emotional desires and where consumers differentiation is no longer given by where they buy, but by why.

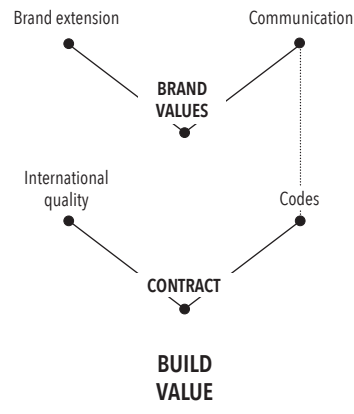
Brand extension: a positive alternative

Line or brand extension is a considerable opportunity for a company interested in business extension with the goal of keeping intact its own brand.



Aspects of the same project / 1

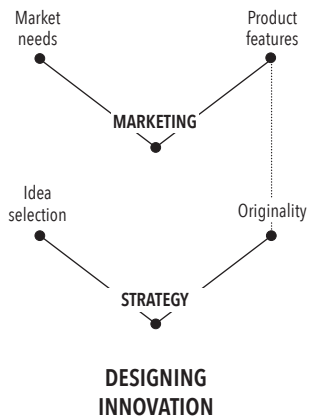
Value





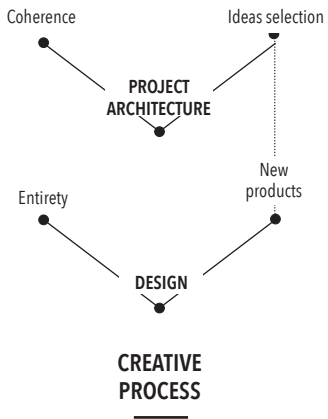
Aspects of the same project / 2

Ideas



Aspects of the same project / 3

Creativity





Man at the center of process innovation

Information and technological revolution, speed of communication and thus innovation: the world has, for the at least the last twenty years, seen an extraordinary evolution and acceleration that have wrapped and involved consumption with an overabundant offer and, spoiling the public, have rendered the fight for markets even more competitive.

It is the result of a challenge against time against which each company, as each of us, must measure itself: and paradoxically, without speed and constant push - almost obsessive - can end up a victim, crushed by growing companies, improving products, innovative solutions.

Many companies in Italy and abroad have accepted these positive forces, while containing provocations and excesses, capable of injecting innovation into its products and, giving them value, repositioning them in the market of the diverse contemporary luxuries.

Latent tendencies, desires that evolve into new needs: to capture them and more often, stimulate them, is the key mission of companies that operate in the high-end market; and innovation is their strategic asset.

It is a proactive process, in a continuous search for improvement in quality, optimization of the content and value-added services and compression of response times to market requests, extrapolating each time the essence of the brand with codes that must remain cohere and immutable through time.

Following this procedure, one can see how the pronounced competition of the markets and the intense speed of transformation today increasingly impose more scrupulosity in the development of new processes, intended as true product-service systems, capable of responding to the demands of a society hit by large and sudden changes, where information becomes the first medium to spread knowledge and therefore defend the product.





The standardization of goods pushes companies to look for new systems to differentiate, while a more sophisticated generation of consumers continues to look for more sophisticated forms of psychological satisfaction.

Aiming at those good ideas through which things acquire value, and not only for the material features they offer, but also, increasingly importantly due to their meaning, the experiences and services which they give access to, thus constructing credibility in a passage from knowledge themes to content themes.

The company, investing in creativity, aims thus towards innovation of the product/service, sustained by investments in research and improvements in services that can guarantee the uniqueness of the offer through confrontation – interdisciplinary – transfer of ideas both inside and outside the company. In a product or a process even a small, but decisive innovation can prove to be a winner.

In the current economy of counterfeits, even on a wide scale and over diverse products, a brand must be contemporary and in continuous growth, where design is used as a defense and communication as protection, thus preventing a dilution of the brand.

The creative culture will push toward a continuous and persevering innovation, where management and the creative sector will together contribute to a basin of common knowledge, in order to reach new markets with new types of products.

It is in this context that the constant growth of knowledge with respect to capital, transfers equilibriums. Or rather, where yesterday knowledge would think productively at the service of capital, today, in a panorama in which the volatility of demand helps innovative capacity emerge as the key condition of profitability, it is capital which is ever more projected toward the search for knowledge.

In this way, the innovative process aims to develop a significant functional competitive advantage, symbolic and experiential, with the adoption of more articulated models of organization than before.

The theme of licensing becomes an activity of integrated planning, amplifying its typical mission of investigation towards the construction of a full model, of a path that is a methodological process, bearer of an intersecting creativity where different mixes attract and where the contamination of knowledge and culture develops into a virtuous synthesis that can be defi-





ned as "high blend" and where Italy is, in fact, the undisputed leader exactly because it made artisans into a industry, in a sort of protection of processes.

The modern approach is focused on a sort of lateral creativity with respect to its product/service, in order to explore areas at the limits of its core business, applying transversal licensing strategies through particular synergies: ability to generate originality, ability to produce a large number of ideas in a short period of time, ability to propose products that are diverse, unique.

We can affirm that coherence is in itself an idea, that through the activity of value creation it builds a process with a high intensity of knowledge and ideas, generating a sort of creative capital in which to know and learn from experience.

From here comes the necessity to observe this phenomenon not as the result of a single initiative, but rather as a process that leads to the creation and accumulation of knowledge and competencies whose systematic management is one of the key factors to sustain competitive advantage.

Building originality means in fact, building a business based on the knowledge and creativity of people through a continuous exchange. Today, in fact, knowledge counts more than the ownership of machines and the network of relationships and experiences that link people and companies has become the bridge between the local dimension and the global one.

In the past ten years, an operational process has been consolidating in Italian companies, which is increasingly linked to teamwork: the specialization of the single figures in the company is an advantage only if there is dialogue between the various parts, to give value to innovation and work on the synthesis of new ideas.

Collaboration among the competencies of the team in a sort of co-design, where together forecasts are made, solutions experimented, new products and concepts are verified, in order to develop new possibilities.

In fact, the desire to continuously re-elaborate their experience and not consider memory as an archive of experiences but also as a place to rediscover in terms of stimulation, inspiration, creativity and innovation, is increasingly present in people today.

The licensing process is taking over new fields of application, with reference to less tangible themes, such as space, time, technology or knowledge applied to daily life: we are moving towards the comprehension of the authentic and values are shifting, generally, towards the ways of using pro-





ducts rather than being codified in the products themselves.

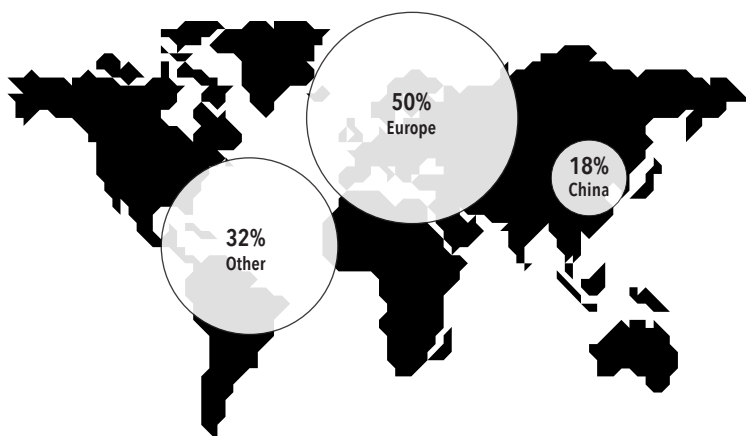
It thus becomes important to identify and experiment with competencies, planning processes and organizational models that can, in some way, operate within the production system, as agents of fertilization crossed with knowledge.

Competitive advantage will be, in conclusion, a prerogative of companies able to constantly innovate their relationship with the market and where the centrality of man as a primary value of the innovative process, through the ability to build things that didn't exist before, will give life to the imagined future.

In times when the economy is variable, and even turbulent, such as the one

The new geography of global prosperity

Faced to competitive marketing panorama, companies from Italy have sought to reinforce increasing realities trying to figure new design assets and Italian style trade.





Generating value means building identity

we are living now, the daily choices regarding non-essential goods become more selective and are aimed at “solid” products and services, with a declared and concrete added-value and where the brand, even though playing a key role as a guarantee regarding quality and/or innovation, is only one of the variables referred to.

Choices are no longer unconditioned, but guided by attentive orientations and knowledge influenced by fixed resources, but mostly by a plurality of offers.

The panacea of markets and their products, after inebriating everyone, becomes more clear: the winners are those that: innovate, propose diversity and guarantee flexibility.

Even if economic means tighten, the defense and, if possible, maintenance of the lifestyle reached; influenced by the general climate the basket of goods changes and becomes more rational and less emotional, over a more organized and ordered path that attempts to allocate available resources as best as possible, and validates the non-essential needs, now more closely connected to the physiology of life.

An adaptive behavior that modifies the product mix and brands chosen, privileging quality and certainty of choice in that which today is a multi-sector competition.

Therefore, even if the crisis has touched almost everyone – at least psychologically – we see two principal attitudes: the tendency, given the well-being which is now diffused, to want to maintain the standard of life reached and consolidated, and the other, but connected to this, the continuous orientation toward premium products, that often take on a different profile with respect to the recent past.

The focal point of consumption has shifted: loud consumption, with





sparkling chromes, has lost legitimacy and a new axis has been created, nearer to the needs of the person, more sensible to protecting resources, more in sync with the traditions and humus of the territory.

The high-end that is preferred and searched out today is less ostentatious, more meditated and directed toward assuring an interior happiness made up of well-being (not only physical), personal gratification, and for affinity, of liberation from tyrannical and repetitive rhythms of daily life.

Products are chosen for their ability to dispense happiness and the sacrifices dictated by the difficult moment, even if negligible or important, are only momentary and delaying, sometimes substituted by other wants.

In general, divisibility, flexibility, ecological and organic are privileged and stimulate purchases. Objects which are personalized, innovative and different do so as well.

Or rather, as a compromise, high-end goods that can show some value-added and justify their higher price become undeniable, almost like an auto-justification.

Within this tendency to want to maintain the standard of living reached, a trend is increasing that, already evident in past years, has taken on facets of a fashion phenomenon: the conscious intention to want to conciliate cheap purchases with high-end ones.

Not everyone is forced to do it, but everyone is aiming to associate goods with basic prices to premium goods, in all sectors and in all – and here is the biggest antimony – social classes.

A prophetic symptom, once again coming from the fashion sector, the polarization of choices has contaminated all markets, soliciting companies to accelerate positioning choices, up or down, avoiding the middle, which is often a synonym for mediocrity.

Since consumption has become demanding in both segments and although forced by economic constrictions, even when looking for top-priced goods it searches for the right value.

Even consumer credit has entered into this mechanism of attention and optimization of resources, as the installment plan frees resources that in the medium-term can be redistributed towards other purchases, improvised or regular.

The reinforcement of the perception of value must interact with various components in order to appeal and interest the customer:





Generating value means building identity

Relationship

- the price acquires a new connotation
- no longer only economic value, but also symbolic value

Gratification

- well-being lived in a therapeutic sense
- the use of the five senses involves the user at a sensorial level

Memory

- memory of the past as a vintage tendency
- creatively mix and select unique merchandise

Target

- continuous cross between different target levels
- generations and genders approach each other and intertwine

Values

- project base as community value
- the individual again needs to feel assured and protected

Places

- commercial spaces as new centers for aggregation
- apply the need to personalize that which is anonymous

Thus, high and low for a knowledgeable choice, in a turnover which is difficult to monitor but still accelerated by the contingent situation that has made the growth of low-price, not to damage but to free resources, for top-end.

People take advantage, therefore, of the no-brands, or rather of low-price products with no image or notoriety, in order to concede themselves, usually in another sector, a high-end product that is highly gratifying.

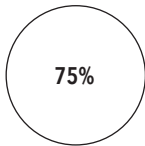
The consumer today is increasingly a consumer of signs rather than of pro-





Demographics of consumers

Considering the offer variety, consumers become more selective in buying luxury services and products increasing awareness and personal expectations.

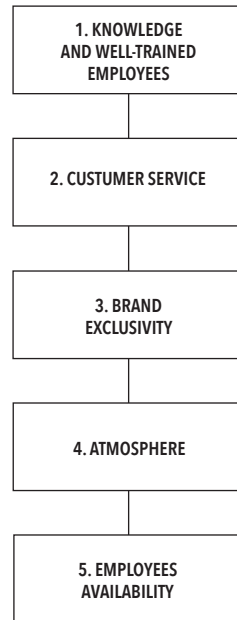


Percentage of consumers buy nothing
(or buy less) if there are not employ-
ees in the store

HIGHLY TRAINED EMPLOYEES

Considered by 1/3 of consumers as
the most important factor when
making a luxury purchase

Top luxury elements/ consumer values





Strategy, design, communication, distribution

ducts in their physical sense. A consumer of messages, of the immaterial and intangible meanings that a product possesses.

Even if technological performance is important, an increasing significance assumes that the product is capable of transmitting signs, organized as precise access codes.

Independent of the actual cost of the product, design can add a superior identity in the purchase evaluation.

Companies research, study, experiment and apply new and more noble raw materials all the time, that lead to a diverse planning, both in terms of performance and brand: implementing the process of reinforcement of the image of the brand in order to become a lifestyle brand. Increasing the mix of products offered (for example handbags, shoes, home, fragrances and cosmetics, timepieces, jewelry), acquiring a tighter control of the value chain both on a production level – acquisitions, joint ventures and strategic partnerships – and a distribution level through an increased capillarity of presence through the opening of new sales points.

Here, brand extension takes on a fundamental value on the balance sheets and in the strategies of companies, through products and services that may be far from their core business: increasingly companies become licensors precisely for the reason of upgrading and segmenting their market.

Design

strategic creativity, extended design, intersecting convergences

- control of product policies from beginning to end
- brand identity as a perceived quality of the project
- wider offering through mass market and affordable luxury





Communication

corporate design, price premium, patrimony of identity

- easily recognizable brand
- the approach of design generates potential attractions
- renew the competitiveness of Land Italia

Distribution

selling value, aesthetic qualities, customer satisfaction

- retail amplifies the contents and specifics of the brand
- diverse production and stores for communication
- sales space becomes high correspondence.

The influence of design in the general brand strategies should be seen in this sense through the forces of change that allowed companies to have a wider vision of their markets and their strategies, thus pushing management to work more effectively and knowledgeably in a way that the balance between economic interests, social aspirations and environmental needs constantly transform.

The main influence that design has, along with marketing, within the process of product development, has highlighted some analogies in the conceptual schemes that exist between the two activities.

These analogies substantially reflect two orientations: the design strategy aimed at the market and the design strategy aimed at the company.

Design and marketing thus find a meeting point in the consumer that represents the sender by logical planning of the company strategies.

This relationship is emphasized by the interdisciplinary integration of the functions that compete in product development.

Given the standardization of components, the final product should contain all of the values that a company is able to express and know how to communicate them in a way that leads to the preference of the consumer.

In this sense, design is no longer a simple service, nor an added value, but becomes the key mode of expression for the company.

Design synthesizes the elements that qualify the identity of the company,





becoming an instrument of communication, as an expression of an integral project that the brand must make known.

It is however necessary that the aesthetic design is formed in an intimate connection with the brand and that it takes into account the feedback on the global identity perceived by the consumer.

All this should translate into an intensely collaborative relationship between design and marketing, a different relationship, where design no longer has a marginal role with respect to the technological content of production.

It is understandable then that, many functions that were traditionally attributed to marketing are today fundamental components of the design process that, through its interpretive capacity allows for the correct realization of the brand in all of its components.

Thus a project that reflects the identity of the brand that the company wants to propose, acts as a coordinating and unifying element of the variables of the marketing mix, as it translates in a creative way, a rational process of strategic formulation.

It is peculiar how this structured formulation is based on a constant dedication to details and particulars in all the expressions of the brand, not only factors linked to the product but also in aspects of organization, communication and distribution.

Design

- > innovative culture
- > productive know-how
- > research and development projects
- > patents
- > industrial secrets
- > design/styling
- > intellectual property
- > supplier relationships
- > economies of speed
- > introduction of innovations
- > brand extension
- > diversification

Communication





- > company name and logo
- > brand names
- > integrity and reputation
- > secondary brands
- > publicity ideas
- > marketing strategies
- > product guarantees
- > competence and preparation
- > promotional ideas
- > public relations efforts
- > packaging design
- > brand registration

Distribution

- > potential of relationships
- > consumer value
- > potential of differentiation
- > customer satisfaction
- > brand image – store image
- > brand loyalty
- > store loyalty
- > informative function
- > trust component
- > perceived value
- > value of use

The typical characteristic of a well-structured brand is the high value that the consumer gives to the intangible aspects linked to the product and its consumption.

The content of the product, its performance and quality are always out of discussion: they represent tangible differences and, mainly perceivable by the consumer that therefore accepts a higher price.

The time factor, in the affirmation of a correct brand extension, plays a critical role, as the consumer only slowly assimilates the typical diversity of the product and even more slowly consolidates the myth, the relevance.

It is in this context that we understand how the three innate variables to





correctly face a brand extension, or rather the concept of coherence, the concept of evolution and the concept of perception, become the central pivot to operate together with the various actors in the chain.

Perceptive coherence as a value needs to develop a strong identity through the originality of proposals (product, retail, service), as well as increase perception.

Coherence as a coordinate will instead insist on a precise aesthetic design of the brand extension through communication and relationship with the consumers and trade.

The evolution of the brand extension will then have, in the construction and consolidation of brand equity, its own widening market potential in terms of both segment and channel, always introducing new categories of products.

Finally, perception as knowledge, or rather: design new processes to differentiate and to satisfy a more sophisticated generation of consumers. High levels of quality, both aesthetic and in innovation, are almost always

Italian products: indices and differences

Italian products can be considered a good example to understand the combination of design and marketing as primary mode in business expression.

FIDELITY	<ul style="list-style-type: none">- Price acceptance- Customer satisfaction- Brand/Customer relationship
LEADERSHIP	<ul style="list-style-type: none">- Perceived quality- Popularity
CONNOTATION	<ul style="list-style-type: none">- Perceived value- Brand personality- Institutional connotations







Expertise: the new Italian-tailored

linked to a territory whose myth and cult are blended, as if it were a cultural center.

We are witnessing an increasing desire in people to continuously re-elaborate their personal experiences, and to not consider their memory solely as a warehouse for memories, but also as an area to discover not only for stimulation or inspiration but even for high creativity and innovation.

Niche globalism creates the need to immediately identify the cultural roots of a company, brand or product, through factors of strong differentiation and clear identity. The plusses of that enhancement, founded on the concept of "Italianism" thus contributes to a precise international positioning.

Aesthetic qualities as the result of Italian manufacture, as a winning mix of technical and artisanal knowledge, of manual skill and automation, that works as a kind of permanent laboratory, in which creativity, fantasy, style, design, productive and organization systems, timing and services reinvent themselves in the choice of materials, the performance of the finishings, the attention to details.

In this context the centuries-old patrimony is emphasized, a kind of ethnographic humus, of artisanal, design and quality traditions and an aesthetic sense for beautiful things that characterizes the Italian productive system.

We can therefore certainly talk about transversality between assets of the brand and assets of the product and therefore the central role of Italy in licenses, because of its ability to be particularly flexible to needs, to understand how to put everything together and maintain high quality in the process.

Quality and not competitiveness. To make, therefore, products designed with industrial-artisanal criteria that others don't do and don't know how to do, through the coordination of licensors, implementing everything with ta-





ste and lifestyle.

Thus, aesthetics and quality of life become synonyms of Italian transversality, characterized by project details and attention to particulars, that increasingly joins the enogastronomical patrimony to clothing and accessories, but also to architecture and design. Or even to cultural heritage and tourism, that guarantee the essence of the culture, of the aesthetics, of the lifestyle and traditions of the territory.

The tangible features of materials, finishings, workmanship, and techniques which are difficult to imitate, also defined as "tangibility of excellence", allow, through the mastery in treating skins, yarns, fabrics, knits as well as wood, metal, glass and stone, the proposal of an antique world of competency and superiority.

Finally, distribution as an enhancement of related products and services, as a true generator of communication for the creativity, taste, quality and innovation that have raised made in Italy to a symbol of aesthetics and expression of quality, both in design and production and where the strategy of the collection becomes a driver for the protection and amplification of the brand.

From here comes a peculiar characteristic that embraces the sense of congruence and seriousness, as well as a subtle timelessness of design: clients are oriented from experience and habit toward buying in certain sales points that, apart from being synonyms for tradition and high quality merchandise, are also in harmony with this serene way of living. The product perception has value when this specialization is presented together as absolute quality and tradition, at the same time raising the potential of FROM ITALY in the collective imagination. Artisanship and quality of details are in fact the elements that are at the same time distinctive and unifying of contemporary products and, even if this sector is conditioned by the dynamics of the financial aspects and the globalization of markets, it remains, and probably will remain, a sector where the products tend to have a semi-artisanal identity.

Aesthetic consumption in the evolution of the brand: making products that others don't make and don't know how to make, through taste and lifestyle.

Quality and non competitiveness: creativity, fantasy, styling, design, product quality, productive and organizational systems, timing and services.

Aesthetic qualities: the tangible quality of materials, finishings, wor-





kmanship, and inimitable techniques.

Tangibility of excellence: increasing need for information: the consumer wants to learn to tell the difference.

Niche globalism: the segmentation of the global market creates the need to immediately identify the cultural roots of a brand.

Recognition: the place as brand, intended as a strong centralizer of recognition, of content and specifics.

It is within design that these concepts find fertile territory. In the furnishing sector, complements and in general in the home collection, we note a search for identity that is carried out through a new simplicity, but also through an essential elegance, personalized use of objects and attention to technological innovation, but more as sensorial stimulation rather than search for hard performance.

The "living" product is taking over new fields of application, with reference to themes that are less tangible, such as space, time, knowledge or technology applied to daily life: it is moving toward the comprehension of the authentic and values tend to move toward the use of the product rather than to be coded within it.

It is in the theme of identity that the design factor takes on more importance as a strategic instrument. Today, in fact, 40-45% of consumers pay particular attention to aesthetic and design themes at the time of purchase.¹

Consequently, a dematerialization of the product and the sales point is created, transforming it from a good to a sign; at the same time consumption becomes ethical and planned, while design manifests itself by moving increasingly beyond simple planning ("meta-planning"). Moreover, the outlining of new macro trends, such as product and service personalization, the new configuration of space, flexibility, the cultural dimension, poly-sensuality and the orientation towards health and nature have all accentuated the characteristics of identity.

¹ Cfr. Turinetti M., 2012: *Be Different*, report del Politecnico di Milano.





It is thus from this important change that the need to develop the brand as a world of experiences that identify something else comes about: a dream in which the client becomes protagonist and designer at the same time.

An increasingly important role for design is hypothesized, one that will change the idea of production and distribution based on a new concept of consumption, that prefers a differentiated and not homogeneous community, where people expect increasingly personalized methods of use.

Companies thus turn to diversification, as the growth obtained through specialization is not enough to sustain the high costs of operating in a global market: the objective is to quickly increase revenues in order to amortize the costs that derive from the various phases of planning, communication and distribution.

This capitalization of brand extension, creating a real world of products and services that are easily recognizable and ascribable to precise lifestyles and total concepts, brings about the use of diversification in a horizontal sense, directed towards other products, other merchandise sectors, other segments. With little investment, the supplier/licensee can quickly launch himself into the market with a well-known brand, where the concept of designing companies coincides with that of designing processes.

The rediscovering of antique values is in fact manifested through the satisfaction of the senses, where well-being and the enjoyment of rare things brings a different understanding in which that which is beautiful to look at is identified with that which is beautiful to remember.

At the same time, the growing desire to try things brings about the desire to search and know in order to understand. Where, once more, one can evaluate the important role that culture plays, a fundamental element to be able to estimate the intrinsic and extrinsic characteristics of a product from its strong coherence and from its clear difference from others.

In other words, it is a question of perception, of values in which interest and culture participate together to understand and appreciate the qualities of a product.

It is thus that creating an identity linked to tradition, but at the same time new, brings about the emphasis of the interaction between desires and needs, two concepts which are distant from one another, but at the same time intimately connected, where the role of design competes to command the interest of the consumer.





Products are not only means of instrumental utility, but also serve as a symbolic expression, they constitute a system of cultural signs through which an acquirer contributes with his experience to amplify the symbolic value.

In all this there is a pleasant consumerism, in which the need to acquire “the beautiful” springs forward. To keep this need alive, it must constantly be offered new stimulus and new ideas; it is not enough to be always new, it must be differentiated from the others, with the aim of expressing newness in original, diversified and increasingly personalized ways, always and in any case inherent to the space. We can thus speak of aesthetic market: we see, in fact, a consistent transfer of elements from diverse settings, according to an interest towards that which are the typical peculiarities of products with a strong aesthetic value.

It is therefore, the tight relationship between the idea and fulfillment that determines the values in the field, through the attention given to materials and manufacturing to the attention to detail, supported by a technological research and flexibility in the production cycle; finally aiming for positioning and communication. In synthesis:

- attention to materials: expertise regarding the materials that are thought of and chosen for precise uses;
- manufacturing and attention to detail: differentiation and personalization through the study of each element;
- high levels of research and technology: continuous experimentation aimed at feeding the high quality of design and production;
- flexibility of the production cycle: quick adaptation to the changing needs of the market and the demand for new products;
- positioning: aiming for that which renders unique; aim for immediate recognition;
- communication: identity and recognition as a potential multiplier of economic value.

If a company wants to aim for the appreciation of the brand, it needs to develop, within the organization, the ability and direction aimed to reinforce the culture of quality, orientation to the client, commitment and motivation of those that are most in contact with the clients and work to increase per-





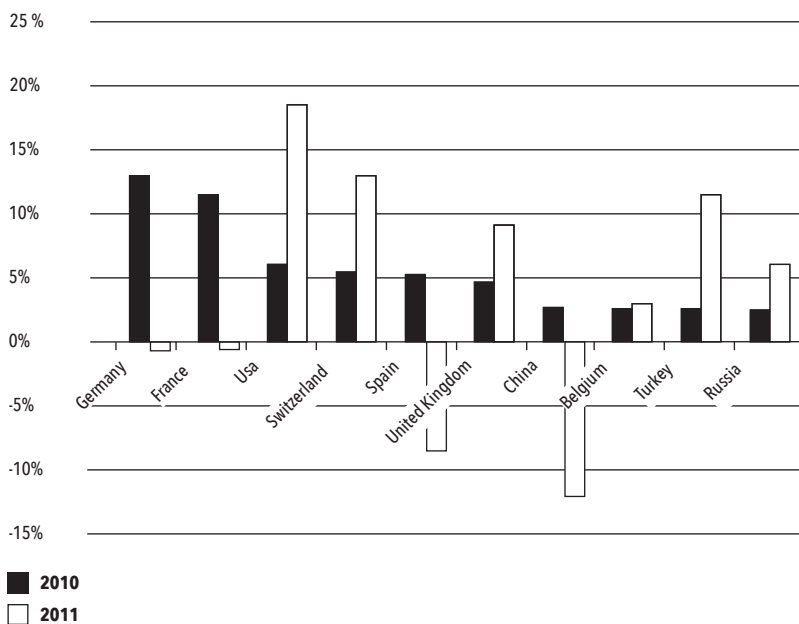
ceived quality.

It is thus in this sense that the context of the purchase experience rises to be a strategic moment in bringing value added to the brand and therefore it is up to the brand to commit to diffusion, (communication and distribution), undertaking efforts of qualitative communication equal to those of quantitative communication.

In the beginning, craftsmanship was essentially based on the culture of the

Positioning of italian products

General overview of the top ten markets showing relevant variations in Italian exports in 2010-2011 period.





Brand as space: a new key value

Brand space obtains a strategic importance to follow and direct the consumer through the shopping experience.





92 FROM ITALY





The sense of beauty as a mental process

form and its relationships with the function and left a wide margin to the initiative, to the taste and to the synthesis and personal variations of the professional that was, contemporaneously, designer and producer of his objects.

Each object, singularly built, was a specimen, and had – especially in those cultures that trained productive groups to reproduce them for centuries, or in the case of Italy, for millennia – the same form which was distinguished from the others by some small detail.

Its form was even determined by the dexterity in the manufacture, as the hand of the craftsman worked according to his abilities, competencies and talents, thus rendering each object unique, leading the client to make a choice, an evaluation of quality, to compare.

Now, we can say that the specific characteristics of artisanship, independent from the size of the company, can be synthetically indicated in the following attributes:

- the use of particular techniques that require manual intervention
- direct control, by the professional, of the whole process, from design to product
- the adaptation of individual demands and needs
- the artisanal quality which exalts the concept of handmade and custom-made.

It has been said that craftsmanship is the owner of the whole process, even if it can be broken down and interventions made in the control of and modification of the various operations, until the final product is completed. Therefore, a product that is made through a technical process that recomposes single operational moments within a single project and executive sche-





me, and can be defined as typically artisanal.

Today, that which can be defined as “new craftsmanship” exists. Complementary to industrial production; it can only partially have administrative and commercial autonomy, as these depend on the company for which the artisanal laboratory works.

This new craftsmanship uses, indiscriminately, traditional tools along with sophisticated modern machines, antique materials, such as wood and straw, and modern experimental materials, such as plastics, new fabrics, new paints, glues...

The new craftsmanship is watched attentively by the industry, which tends to differentiate operational possibilities through “small runs” that are able to follow variations in demand and also, given the high cost of work, to maximize the automation of mechanical processes, utilizing human creativity for the phases of planning and control.

Furthermore, this could explain why the charm of the artisanal product derives from the fact that it has passed through the hands of a person that has left a sign with his work; the charm, then, of that which has been created as a unique piece, for, as Baudrillard observed, “the moment of creation is unrepeatable.”¹

In industry, the perfection of the process with respect to the plan prevails, or rather, constancy in the quantity; in craftsmanship the perfection of the product with respect to the model prevails, or rather the constancy of quality in order to defend brand values.

In industry, by “progress”, we mean the acquisition, from the outside and before the start of production, of inventions to add into the process, to improve its performance.

In craftsmanship, on the other hand, by progress we can mean the accumulation of experiences of the professionals, transmitted, for example, from father to son, or from teacher to student in a direct and global way.

With regards to the role of design, substantial differences do not exist between working in function of industrial production or of artisanal production.

What is important is the fact that, in the current productive situation,

¹ Baudrillard J., *La società dei consumi*, op. cit.





design takes on an essential role in that which is defined as “new craftsmanship”, or rather, that type of production that precedes the industrial phase and that is, in substance, an integral part, such as the design and production of prototypes, masters, models...

This integration, therefore, of two operational methods which are traditionally and apparently far apart, leaves the designer a wide range of opportunities for intervention, that assume capacity and new and complex attitudes, but that also open new and interesting technological and creative directions.

In short, there is a move towards understanding the authentic, and values are moving, generally, toward the methods of using the objects rather than being codified within the objects.

The artisanal component of an object is fundamental: services and technologies, value of use, design, creativity.

Craftsmanship is the distinctive and unifying element even in the new millennium: as much as it is conditioned by economic dynamics and globalization of markets, it is, and probably will remain, a type of high-value product.

The production of so-called luxury products will continue to be completed in countries with high labor costs, due to a problem of know-how, quality, and competency of manpower.

Wellbeing becomes a synonym for a perfect mix of comfort and functionality, but also for art and elegance, in the continuous search for a balance between the desire to be fashionable and the desire to express one's own identity. Our way of living is no longer a symbol of status, it is suggested, more than shown, through other social channels such as: souvenirs from travels, furniture and accessories, cultural spending, education and behavior.

Craftsmanship and the quality of details are in fact, at the same time both the distinctive and unifying elements of new concepts for home and, although this sector is conditioned by the dynamics of high finance and market globalization it is, and probably will remain a sector in which products generally have a high artisanal content, or at least semi-artisanal.

The relationship that exists between arts, crafts, and industrial artisanship is renewed through the introduction of services and technologies, whose value of use, style and creativity are, once more, guarantees of the strong traditions of high level artisanship, as always characterized by a high organizational capability.





In the last few years, as mentioned before, two particularly strong tendencies have emerged: the first regards the increase in creature-comfort services, such as travel, beauty farms, spas (wellness applied to everything); the second tendency regards the massive spread of products with a high technological content, such as high-level hi-fis, plasma screens, mobile phones,....

Today, purchases are concentrated on the search for objects with a strong appeal to desires, through an analytic transformation that leads from an ordinary purchase to an extraordinary one.

The consumer becomes a client of quality, attracted by the quality of goods and services which have been researched with care and consumed appropriately, but also attracted by the quality of people, for their mix of information and culture, values and experiences.

Thus the search for products of superior quality, both in components and manufacturing process; with high costs, both absolute and in comparative terms; rare, both in the product and its diffusion; aesthetically attractive; time-consuming, for example due to the methods connected to production, purchase and use.

In this context, the relationship that is developed between the consumer and the products raises the role in the imagination of an inexhaustible source of desires.

This possibility is offered mainly through the game of intersecting styles that solicit and involve the consumer: wellness, as a quality of life, as an idea of comfort, of refinement and heat that is expressed through a taste and style which is very intimate and reserved, in a newfound desire to create a bodily and mental state where dreams can be realized and all the senses satisfied. The perception and the values that each of us gives to the various products is thus fruit not only of their economic value, but also of their capacity to create emotions and sensations that are infinitely pleasurable and unique.

In this case, the living concept, as a whole, becomes the synonym of a perfect mix of comfort and functionality, but also for art and elegance, in the continuous search for a balance between aesthetic desire and the need to express ones identity.

Purchases are aimed at those merchandise atmospheres in which craftsmanship and quality of detail rise to be at the same time both distinctive and unifying elements.

In short, there is a move towards the understanding of the authentic and





values are shifting, generally, towards the methods of fruition of the products. Therefore, the concept of beautiful no longer as technique or artisanal talent, but rather as a mental procedure. The product tends to become a work of art with particular aesthetic values.

It is here that one notes in products a research into particulars and details that draws an accurate production of the product itself; today, in fact, the absolute value of certain offers, in terms of quality and symbolism, is recognized by all and assumed by all to be the model that all should have the objective to reach.

This kind of new craftsmanship is watched carefully by the industry, that tends to differentiate operative possibilities through small production runs that are able to follow variations in demand and, given the high cost of labor, to maximize automation of mechanical processes, recuperating human creativity in order to concentrate on the phases of programming and control. Strategic creativity is made up of those characteristics of the brand and

Criteria of cross-economy

Life models, not only income, are the basis of goods and services selection.

Target

FROM NORD-SOUTH
TO EAST-WEST

BRAND EXTENSION

SERVICE PROVIDERS
AS PARTNERS

ITALIAN CULTURE
IN THE WORLD

BEYOND THE PRODUCT







Identity choices for the modern company

product that are the primary elements on which the growing global competitiveness is based: flexibility, standardization, differentiation, design and communication, distribution.

These choices lead to a transformation, in the strategy and in the culture of the company, and from an orientation towards production lead to an orientation towards the market, where design must be finalized to create a strong coherence between the brand and the product.

The importance of design as a differentiation factor has already been recognized in marketing theory with specific reference to its role in the maturity phase of the product life cycle. Today, given the standardization of components, it imposes the product to contain all of the values that the brand is capable of expressing and must be able to communicate them in order to gain the preference of the consumer.

We see then, how the competition in the markets and the speed of information require increasing attention to the development of new products, intended as new systems of products more suitable for the contemporary market and, in prospective, able to respond to the demands of a society hit by big and rapid change. These can be of various types, such as: relationships with competitors and suppliers, value added services, various forms of distribution, internal and external identity of the company or finally, communication with the global market.

It is not sufficient to design and produce the product, it is necessary to design and produce the entire offer; the valorization of the brand becomes essential for both those companies that want to defend their leadership as well as for those that want to widen their presence with larger market shares.

Besides, product policy, which remains important, is no longer the only decisive variable, as other policies such as positioning, service, and the com-





pany are more so.

The benchmark, a financial term that rightly means: financial result used as an optimal reference to evaluate performance, indicates the comparison and observation of competitors activity, especially of those most important and qualified. It is therefore the observation of all of the striking models in order to find significant references.

Benchmarking is aimed at collecting data, measuring it and then comparing it to analogous situations either inside or outside the company to provide comparable measurements and coefficients with regards to product and service performance and to identify possible spaces for improvement.

In our case, there are various definitions of benchmark: the continuous process of evaluation of products, services and the procedures that allow us to compete against the strongest competitors or against leader companies in the sector. Or else the search for the best company procedures that lead to optimal performance.

The continuous search for competitiveness leads companies to a more attentive management of operational costs, to increase the quality-price ratio of their products and to reduce response time to solicitations from the market.

The benchmark thus finds its fundamental premise in the reciprocal exchange of information.

When this action is correct, the benefits are numerous and important because they allow the company to identify standards, on the basis of the needs and expectations of the clients, through the comparison and observation of the outside world.

The observation of competitor's activities, and in particular of those most qualified, thus becomes an almost automatic push towards innovation and the upgrading of entrepreneurial activities.

The most correct and strategic logic of extension is that in which the brand is held up by a joint and synergic succession of actions, products and services that contribute together to an architecture of the brand: strong, recognizable and coherently enlargable.

Choose a specific identity; reinforce, in other words, the identity of commercial offers by giving more visibility to design, increasing coherence, giving value to the emotional potential of the product, referring to a precise brief within the company.





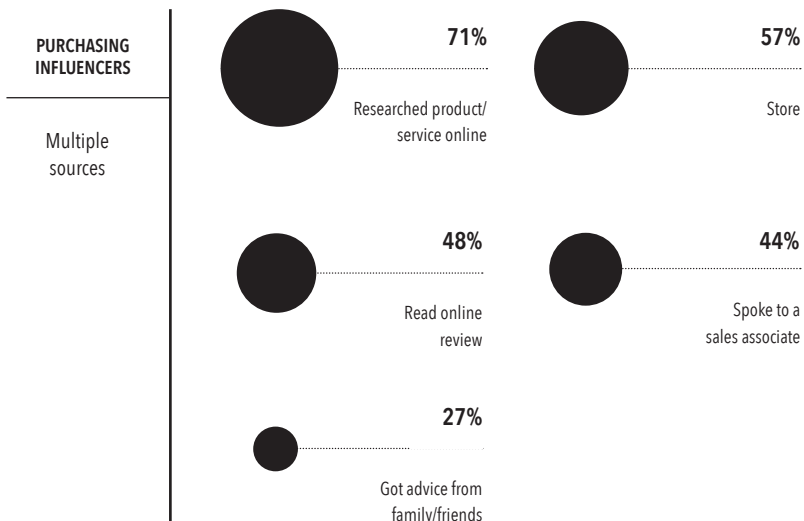
Then, effectively build a solid, well-rounded project, through the preparation of stores, corners and exhibition stands, paying particular attention to visual merchandising and the appeal of the shop windows, with catalogues and magazines, events and sponsorships, communication and publicity campaigns.

Again we see how the concept of FROM ITALY assumes the role of true centralizer through four effective operational lines: lateral creativity with respect to the product to explore areas adjacent to the core business; ability to combine aesthetics, simplicity, emotions and technology in products; knowledge and learning from experience, over a path that is a methodological process; downstream from research, a distribution system able to impose the highest perceptions.

Today, it is strategic for high value added companies to create an immediate

Impact on client service

Faced with competitors, companies are required to constantly monitor the process of developing their marketing strategies in order to make performance optimization possible, as in this visualization of an overview of a shopping experience.





102 FROM ITALY





Building differences with coherency

and recognizable identity, thus becoming particularly desirable for the customer, maintaining, at the same time, value.

Thus a strategic creativity is highlighted in which control of product policies from beginning to end is tight; where the extended design treats the brand identity as a perceived quality of the project; where corporate design determines an easy and fast brand recognition; where brand extension is approached systematically by design, generating attraction potential; where selling value through retail, amplifying content and specificity of the brand; where the aesthetic qualities are guaranteed by a diversified production and by particular stores for communication.

Distinctive elements with new access codes that obtain higher prices than competitors; new integrations to seize the moment; the search for aesthetic appeal and difficult imitation; projection downstream through client contact: these are the assets for a correct brand extension.

The value added of good ideas will aim for all those activities in which things acquire value not only due to the material features they offer, but also because of the meanings, experiences and services to which they give access. The company will develop, after consolidating its core, on the extension of its brand, sustained by investments in research and improvements in adequate services as a plus in order to guarantee the uniqueness of its offer, through comparison, cross-disciplinarity, transfer of ideas and synaesthesia of materials both inside and outside the company: in a product or in a process, a small but decisive innovation can in fact be a winner.

The culture of creativity will push towards a continuous and perseverant innovation that is typical of the culture of quality, through the integration of intents between management and creativity, in order to build a basin of knowledge and an abacus of communicative codes.





Finally, the action of benchmarking will investigate selected data, measuring it and comparing it to analogous data, to provide measures and coefficients that can be compared to results achieved in order to proactively find spaces for improvement, looking to the future, or else through a reactive process, that looks to modify management in a structured way in order to achieve better results.

Here the concept of FROM ITALY looks to develop a significant competitive advantage that is functional, symbolic and experiential, through the adoption of organizational models that are decisively more articulated with respect to those normally adopted by companies.

Following this reasoning, four member groups are highlighted in which: differentials, content, value and coordination guarantee a strong protection together with a strong attractive aggressiveness both of the brand and of the product, through actions that determine its success.

- > Differential: products are proposed that want to be different and unique, leaving behind the logic of price competition and obtaining a higher price than competitors.
- > Content: perseverance in continuous research and quality culture through the ability to always be innovative in the search for aesthetic appeal and difficult imitation.
- > Value: identity is interpreted as the originality of proposals (product, retail, service), to increase the perception as a potential of relationships and build learning of trust and knowledge.
- > Coordination: defining the ethical design of the brand extension; the communication and relationship with the customer and trade; distribution as central to price premiums.

The method is concentrated, in fact, in a sort of lateral creativity with respect to the product and/or service in order to explore areas adjacent to the core business.

We intend to investigate the theme of extension as an activity of integrated design, a sort of infrastructure of coherence, widening its typical activity of investigation towards the creation of an entire model, or rather of a path that is a methodological process and where the aptitude for cross-over brings about a traverse creativity as a result of intersections, navigations,





contaminations, migrations; ultimately: intersecting aesthetics, overlapping cultures, a taste for mixing and the game of contrasts.

This approach is developed through analysis, whose method, dialog, and implementation are blended in three correlated passages in succession: concept, or rather the idea and the strategy; advanced design, or rather the identification of know-how; design, or rather the full-fledged planning.

It could be affirmed at this point that the extension is itself an idea that, through the activity of value creation, constitutes a process with a high content of knowledge and ideas, and that generates a sort of creative capital in which to know and learn from experiences, in a path that is a methodological process.

From here comes the need to observe the phenomenon of brand extension not as the spot result of a single initiative, but as a process that develops over the course of years and that leads to the creation and accumulation of knowledge and competencies, whose systematic management constitutes one of the key factors for sustaining competitive advantage.

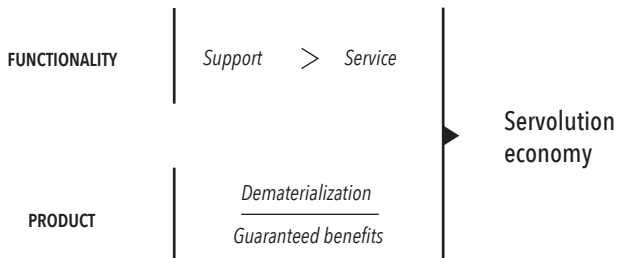
Building originality means building a business that is based on the knowledge and creativity of people through a continuous exchange: today, in fact, knowledge counts more than the ownership of production machinery and the network of relationships and experiences that connects businesses and people has become the bridge between the local and global dimension.

All this is, ultimately, FROM ITALY.

Daniele Cordero di Montezemolo underlines how the world of licensing

Servolution Economy: from the product to the service

New marketing strategies show the need for cross and integrated design to promote the experience and the active role of consumer.





106 FROM ITALY





How to evolve the brand

requires precise strategies and approaches and nothing can be left to fate, neither in the design phase nor in the implementation phase.

You have managed important licensing projects, resulting in added value for brands and the products associated with them: to mention a few, Fila, Pirelli, Riva. What pushes to create and want a license and when is it really a good idea to implement the idea?

There could be thousands of reasons. For example, that, quite banal and myopic, of wanting to take advantage of the brand as much as possible, to give it visibility and get the most out of it when the company is sold; even if it is an operation that I personally don't agree with, today it is widely practiced.

Vice versa, there could be the potentially lucrative possibility, if one has a valuable brand, of successfully adapting the product outside of its original segment, enriching it with new blood. In this case, the company must define what to do, with who, and how.

Furthermore, sometimes there are needs dictated by laws or geography; for example it could be uneconomic and uncompetitive to produce clothing in Italy and then transport it abroad; it becomes advisable to activate a local license, thus benefitting from greater competitiveness and maybe even avoiding fiscal constraints.

What are the fundamental steps to the process, or rather, the key knots to be disentangled when the decision is made to take on a licensing activity?

The path is very complex and nothing can be ignored. First, a strategy must be defined, or rather identification of the market and more precisely





the product that is to be produced, having the knowledge that there is an adherence, between the original product, or the sector in which the brand is known, and that in which the company wishes to enter.

Once this coherence is established, the positioning, distribution and type of development expected must all be identified. Finally, the right company for the production, or the partner in the activity, must be identified.

The choice of partner aimed at the stipulation of an agreement is one of the most difficult aspects where there are multiple decisive components?

Yes. Taking the path of licensing can mean delegating to third parties some responsibilities with regards to your brand; it is not, therefore an easy decision, nor is it easy to decide (and make an agreement) on which and how much responsibility to attribute to the new partner.

The company can decide to choose a business to trust production to but to keep all of the responsibility for the brand and directly manage distribution.

Or else the company can decide to entrust, in exchange for royalties, all of the production and distribution for the product with the company's brand.

In this case the delegation is significant and the brand is, in a certain sense, ceded for uses which are fittingly stipulated by contractual agreements.

The licensor has, in any case, the difficult responsibility to constantly monitor aspects such as design, productive quality, distribution channels: in synthesis, beyond giving precise and formal indications on how the brand is to be utilized, the company must also verify how in reality the brand is being interpreted by the partner. Hence, even when the company has managed to launch its licensing strategy, the commitment is not finished and instead, an activity of control begins, regarding the respect and accuracy of the rules





established.

What are, in your opinion, the golden rules for launching a successful licensing project?

First of all the choice of market and type of product, then coherence with the original brand; if for example, I had a well-known brand for athletic eyewear, I could decide to enter into clothing, but surely I would not be credible if I decided to make evening gowns.

In the choice and formalization of the agreement with the partner, the company must never forget that the reciprocal objectives are unfortunately divergent.

The interest in taking advantage as much as possible of the use of the brand on the part of the licensee, is answered with the licensor's desire to preserve the value of the brand in order to avoid precluding or limiting future developments, in that or in other sectors.

There is general talk of licensing for kids and licensing for adults. Why and what are the substantial differences?

It is, in effect, a rough division. When speaking of licensing aimed at children, a fast licensing is intended, born and fed by the trends of the moment, or rather the people/films/events that attract the attention of kid. In general, it is a type of licensing strongly conditioned by the passage of time and therefore focused on expressing the maximum in the minimum time possible, before the trend passes.

Licensing for adults is, on the other hand, when we refer to products de-





stined to last through time, or rather brands with a prospective long-term value.

In general we could express the concept more correctly by speaking of temporary licensing in the first case and permanent licensing in the second case.

Today, there seems to be a tension between the creation of increasingly qualified gadgets and on the other hand, downward brand extension, or rather with the aim of widening the user base or reference target. What, then, is the line that separates the production of gadgets and brand extension?

Sometimes, the line between merchandising and licensing can be subtle, but the objectives remain different. The first is created to promote the brand, the second, on the other hand, to extend the business.

Of course even licensing is a way to communicate the brand, but the premises that generate it, as we have seen, are very precise: the desire to enter into a new market, maintaining the coordinates of the brand, and where possible, reinforcing them, and therefore with the objective of generating new revenues. Merchandising is instead a way to spread the brand, popularizing it even with those who for various reasons, not only economic, could never consider purchasing the original product but would still like to participate in the world that the brand represents.

What advice would you give to someone who wants to launch a licensing





project?

As we said, there are many critical moments in the process but without a doubt it is fundamental in the start-up phase to carefully evaluate the identity of the brand in order to not move too far away from it or trivialize it by producing lower level products.

It is always a good idea to try to analyze, in every detail, the characteristics of the brand, to “explode” it in order to better understand its profile, personality, strong and weak points. This done, it will be easier to decide the direction, or rather which markets and types of goods to take on.

Always remember that if a strong brand is owned, it has its own identity and story to tell: this story should continue to be credible even with the products object of the brand extension, and always and in any case through a FROM ITALY approach.

The report on the model Be Different Digital Methods starts from the idea







The model

"Be Different Digital Methods"

of proposing an innovative placement of those brands that, through quality, research and design, have been able to export the concept of "Italianism" as an added-value in the collective imagination present on the web.

In front of a growing number of companies attentive to the certification of their "Italianism", it is necessary to identify what are those identity aspects at the basis of the international success of high-end brands.

It is upon these premises that the idea for providing a useful instrument, characterized by an innovative format of parameters in which to categorize the symbolic brands of the FROM ITALY concept, was born. The companies are selected based on production sector and peculiarities that render them a relevant case study.

The pilot report that follows was developed through four intriguing and different brands: Italia Independent (fashion and lifestyle), Poltrona Frau (furniture design), Tenuta San Guido (food and wine), Ville d'Este (hotels), which well represent the guidelines of that expressed in this volume.

Each brand is analyzed linearly, that starts from a nucleus of general concepts, to then deepen through the use of digital methods.

The format is divided into five specific steps:

1. presentation of the brand: general information and contextualization of the brand through its historical evolution and data regarding the product/service offered;
2. analysis of the brand: presentation, in a reference frame, of the value premises of the brand in order to identify, through marketing strategies, the cardinal concepts of its identity and structure;
3. network: beyond geographical positioning, the role of the brand in the web is presented, in order to highlight the network of contacts and the





- communication strategy;
- 4. positioning: ponderation and analysis of the market result in a key resource to have a general understanding of the brand within its own market, and to specify competitors and consumer targets;
- 5. user interest: web surveys to identify user trends and possibly perception of the brand on the web.

In their complexity, the information is the result of research on official websites, or those certified as credible, such as, for example, "Liv-ex" or "Il Sole 24 Ore".

The use of visualizations and graphs is aimed at giving more conceptual clarity and allows for a better interpretation by the reader.

The opportunities for surveys that are offered through digital methods, give the possibility to perform new transversal analyses that are able to take exploit the advantages offered by the web.

The process of research in this case starts from Google Trends where, through the insertion of a specific query, a network of interconnecting keywords is generated, with a level of relevance that varies based on interest level.

The report Be Different Digital Methods is set during a specific timeframe (2010-2013) and is structured analytically, presenting, in some cases, examples of non-ambiguity.

The query is then put into Google.com, where the url's of the first ten research pages are collected.

Data from social networks, telephone contact lists and images and videos are excluded from this collection, as they are too generalized and not reliable for this type of analysis.

The urls collected are then fed into Alchemy API, and instrument that allows for the identification of a body of relevant words within the websites. The dataset that results is the object of a manual cleaning for non-pertinent elements and then, a textual cleaning through the use of Google Refine.

The keywords are then categorized in definitive clusters with precise scopes:

- > brand: centrality of the name of the brand
- > geography: importance of the territoriality and network of





- connections
- > product/service: variety of the proposed offer
- > quality: sensations and judgments on the brand and its offer
- > contact: relevance of people, institutions or other companies.

The rate of variety of the clusters is visualized through the use of Tree-maps.

The final objective of the report is, therefore, the comparison of ideal values and those spread by the company, and the structure of keywords registers the movement of users and his perception on the web.

The process of digital analysis allows for an even deeper study of all that regards the brand and its image.

It is important to remember, finally, given the necessary presence of all companies online, the report Be Different Digital Methods has been studied so that it can be applied to the most disparate brands, developing in the future possible in depth analyses such as: identification of geographical areas with higher volumes of searches /Google Trends; monitoring of the web search trend through specific queries and their relationship with the media/Google Trends; extension of the visualization of the presence of a brand on the web by collecting a dataset of sites, magazines or publications where it is cited; monitoring of the official website of the company/Google Analytics.







Brand Archive

Italia Independent

Style and creativity for independent people

FROM
ITALY

Eyewear and lifestyle

Restyling classic icons

Partner and single-brand franchise

Fashion



Style



Partnership



Made in Italy 2.0



Independent Ideas



Lapo Elkann



Media



Creative factory



Single-brand



Design



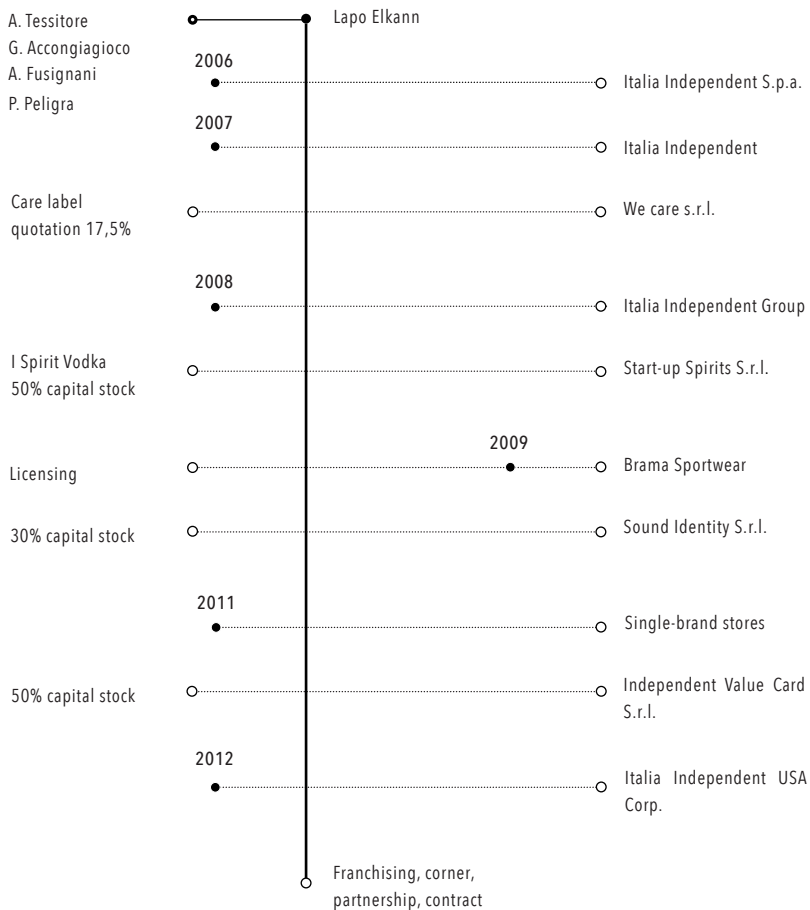
Celebrities





Italia Independent

The brand is able to combine fashion and design trying to define an innovative model of Made in Italy 2.0 according to a reinterpretation of classic icons in an international distribution.





Eyewear

Italia Independent



Accessories

Collaboration with
important brand



Lifestyle

Event and concept
space



Communication

Independent Ideas
and Sound Identity



Production

Distribution

International

Historical moments about brand evolution

From ambition to right
choices.

Legend

- Facts
- People
- Year

Focus team

Lapo Edvard Elkann
Chairman

Andrea Tessitore
*CEO Italia Independent
Group*

Alberto Fusignani
*Managing Partner -
Communications
Services*

Giovanni
Accongiagioco
*Managing Partner -
Eyewear & Lifestyle
Products*

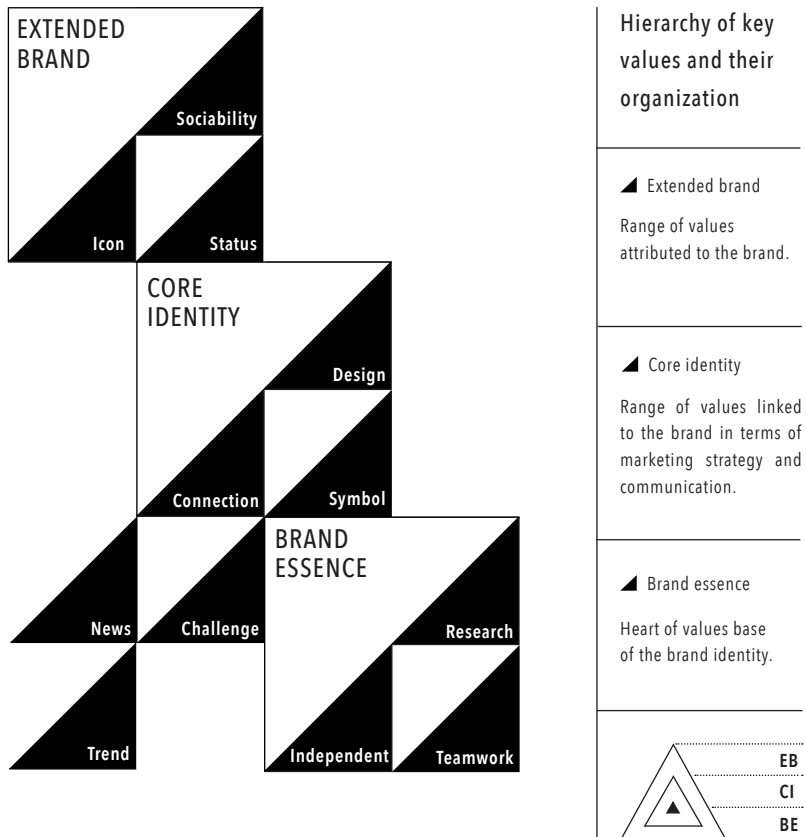
Pietro Peligra
*Managing Partner -
Business Development
& Investor Relations*

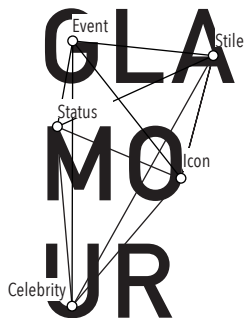
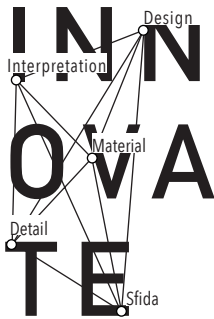




General analysis

In a short time, Italia Independent models an image reflecting diversities, innovation and fashion thanks to dynamic and eclectic points of reference, such as the figure of Lapo Elkann.





Nucleus of references vehiculated by brand strategy

Set of concepts promoted by the company as guiding principles of its mission.

Notes

Challenge

Constantly seeking to interpret the classic icons.

Media

The international management experience promotes the brand success in global market.

Brand

Collaborations with well-known brands help along luxury positioning.

Celebrity

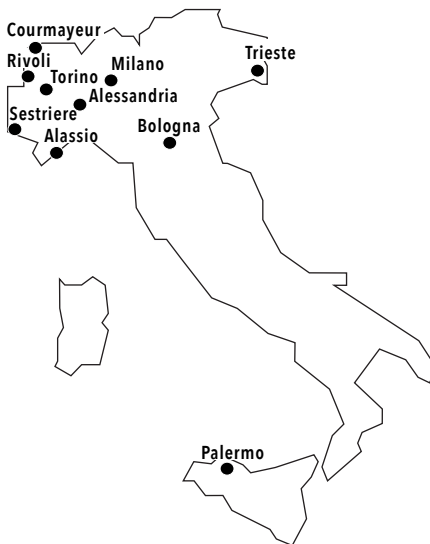
Social media represents an easy advertising system for celebrities to promote fashion products in daily life.





Network areas

Italia Independent plans communication and marketing strategies on an active networking and strong process of internationalization in order to upgrade the role of Italian products in global market.

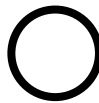


Territorial position

Italia Independent's philosophy and its planning goals are strictly linked to the brand name. Besides be the company headquarters, Italy is a real inspiration in design thinking in order to redefi-ne the idea of Made in Italy and export Italian style globally.

Store locator

In Montenegro and Italy, the number of stores is 46, without considering temporary shops. An increasing number in relation to Asian and American markets



56 shops



46 shops in shops

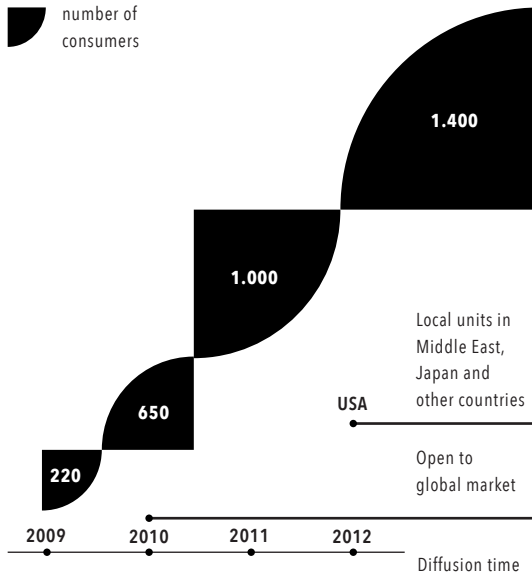
Concept retail











10 single-brand

Franchising
[See the map]





	Facebook	Twitter	Instagram
ID.			
	1.947 like	418 followers	
IT.			
	35.793 like	7041 followers	13k followers
L.			
	91.144 like	21.002 followers	21k followers

Legend

Independent Ideas /ID.Italia
Independent / IT.
Lapo Elkann / L.

Retailing dynamics

Since 2008, the spreading of the brand products has considered networking with important brands relevant, which reinforce the position of Italia Independent in Made in Italy market. Globally, the turning point arrived in 2012, the next step will be a new headquarters in Miami, Italia Independent USA, to manage the American market and to define contracts in Asian and Japanese areas with local units in France and Spain.

Web placement

Web 2.0 is the main marketing strategy that uses social channels to promote a 360° communication and create a shared image. Besides a specific website recognized by the group, the figure of Lapo Elkann, brand and icon in himself gives a daily promotional support to the lifestyle brands.

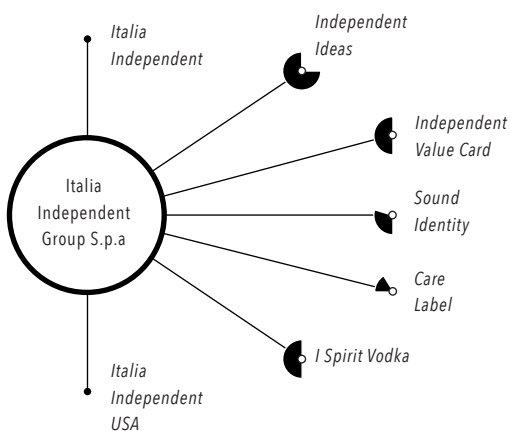




Positioning

The stock market registers a positive performance of Italia Independent Group which confirms an effective consolidation of the partnership among important brands in terms of project and communication





Corporate structure

The definition of a cross-organizational model allows a brand positioning strategy expanded on different sectors according to the essential values of the group philosophy.

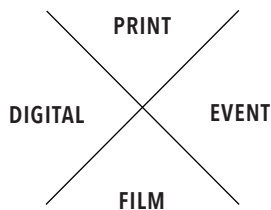
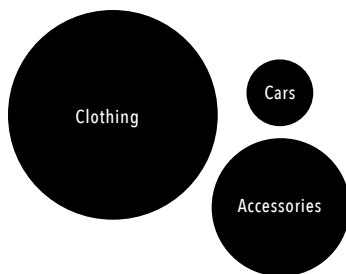
Important brand role

In the global market, the role of Italian Independent Group stands out for its relations with well-known brands which occupy a relevant position within the entire context of lifestyle, favoring the fashion area in seeking to renew the great classics of design.

Media

Great communication is the main resource for the brand success in the promotion of a unanimous image.

Borsalino / Iveco /
Arfango / Breil /
Pantofola D'Oro /
Fox / La Stampa / Film
Commission Torino / Spy
/ Alfa Romeo / Diesel
/ Virgin Radio / Vans /
Meritalia / Dinh Van /
Vogue Italia / Skitsh / La
Rinascente /
Levi's / Moschino /
Meltin' Pot / Orciani /
BStripe Blossom / Toy
Watch / Bic / Bear / Gucci
/ Vertu / Smeg /
Caffè Vergnano / Pinko
/ Juventus / Unicredit /
K-way / Able to joy / Fer-
rari/ Jeep / Baglietto /
Brama Sportwear / Virgin
Radio / Fiat



**PARTNERS AND
CLIENTS**

MEDIA SERVICES



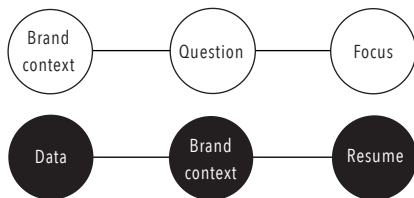


User interest / 1

Considering the brands active presence on the web, a research of key value aspects through digital methods is an effective action to identify general perception.

ELKANN AGNELLI

ITALIA INDEPENDENT
LAPO



Trends: queries correlation

Using Google Trend tool, the query Italia Independent develops a user research linked to related words in a defined time (2010-2013). This digital approach can analyse the most researched words, e.x. Agnelli or Elkann, and its connections. See the graph in User interest / 2.

Digital
approach



ITALIA
INDEPENDENT

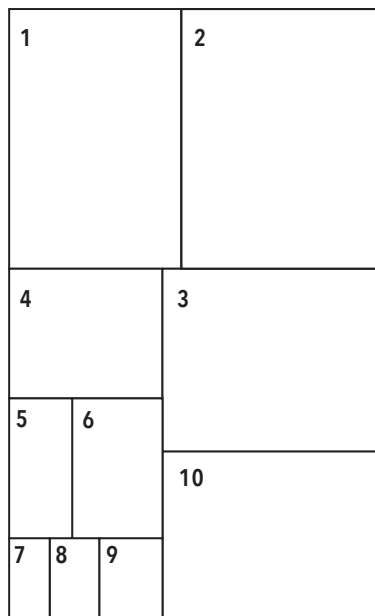
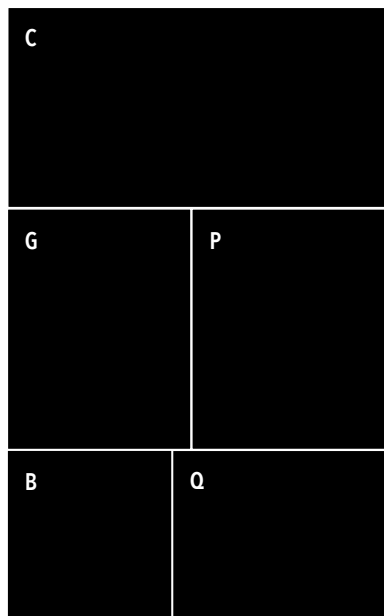
GOOGLE.COM

1.989
keywords



10 pages
= 70 url





Legend

C / Contact / 652 words
G / Geography / 365 words
Q / Quality / 330 words
B / Brand / 251 words
P / Product / 391 words

1. Celebrities
2. Altro
3. Lapo Elkann
4. Brand
5. Settore automobile
6. Media
7. Independent Ideas
8. Andrea Tessitore
9. Famiglia Agnelli
10. Luxury brand

Keywords and categories

The *query* Italia Independent inserted in Google.com found a list of 70 urls. Using the Alchemy dmi tool, a dataset of 1.989 keywords was detected in terms of relevance and then refined. This dataset is divided

into the following categories: Contact, Geography, Brand, Quality and Service. It's important to consider the contact area relevant as well as the balance among the other categories. The black table shows

the category volume, while the white one refers to the most particular contacts.

Focus on Contact

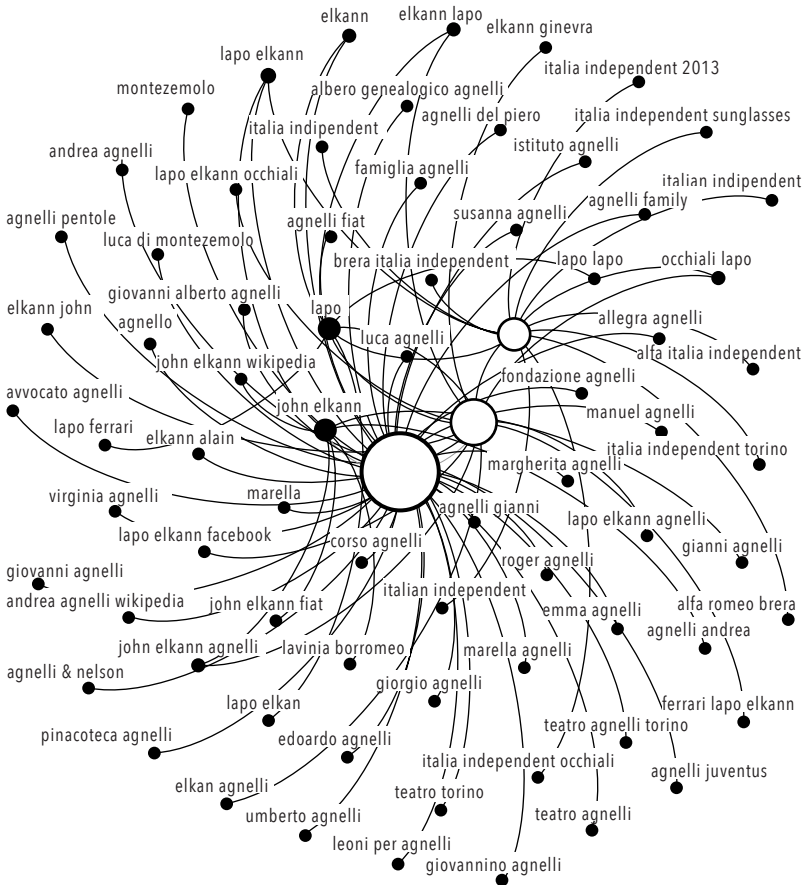
This category shows the relation between brand and partners. Fashion

plays a relevant role in brand positioning, as does the active role of Lapo Elkann, able through his eclectic figure to be brand and lifestyle icon in himself.





User interest / 2



Words and relations

The visualization is connected to the previous trend correlation through the Géphi digital tool. In the set of queries the importance

of the Agnelli family and Lapo Elkann in the brand image is clear.



Agnelli



Elkann



Italia Independent









Brand Archive

Poltrona Frau

Italian quality contemporary design furniture

FROM
ITALY

Prestigious furnishing
History and Culture for 100 years
First class travels

Architects



Turin



Manufacture



Museum



Poltrona Frau Group



Renzo Frau



Atelier



Special edition



Designer



Sustainability



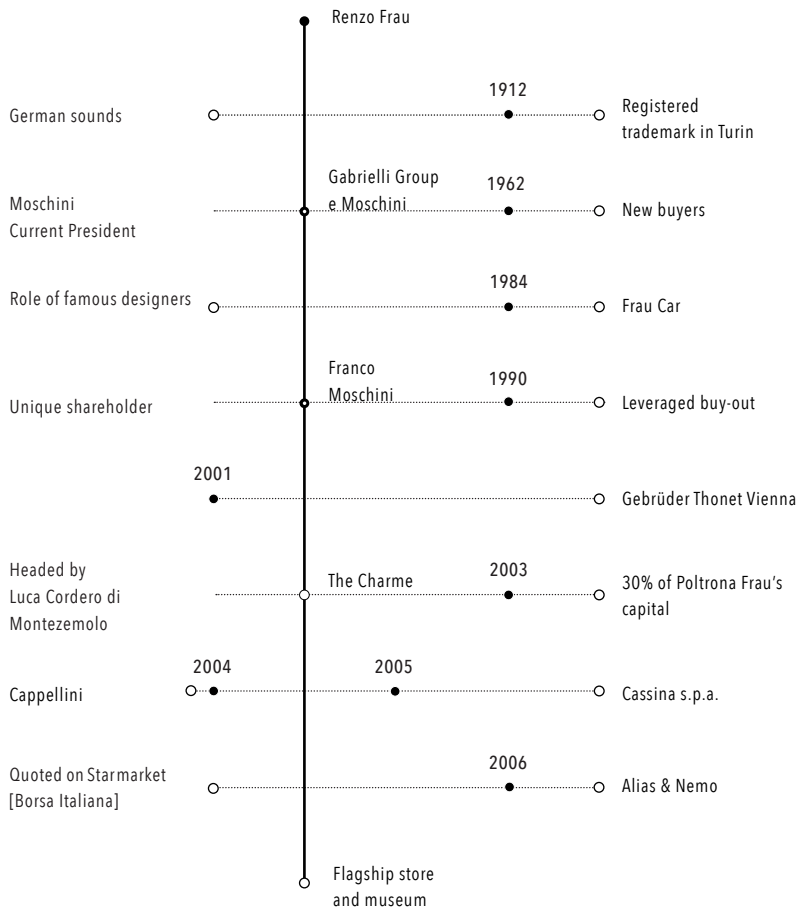
Interior design





Poltrona Frau

The company, backed by a great history and tradition, lives in the present. Interpreters of timeless beauty, the company believes in the designs and materials that guarantee wellbeing.





1965

Dezza

[G. Ponti]

Lullaby
[L. Mosconi]

1968



1976

Petronio

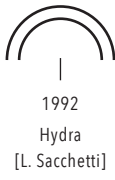
[T. Agnoli]

Interlude
[M. Zanuso]

1983

1984
Antropovarius
[F.A. Porsche]Intervista
[L.M. Vignelli]

1989



1992

Hydra

[L. Sacchetti]

Lola
[P. Cerri]
1997

1998

Artù

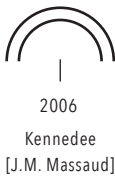
[M. De Lucchi]

Touch
[J. Nouvel]

1998

1999
Titano
[P. Cerri]Quadra
[P. Cerri]

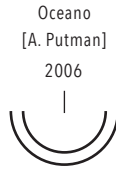
2001



2006

Kennedee

[J.M. Massaud]

Oceano
[A. Putman]

2006

Historical moments about brand evolution

From origins to Museum.

Legend

- Facts
- People
- Year

Focus designer

Temporary line of the
best brand furnitures.

Store locator

Flagship store projected
by JM. Massaud

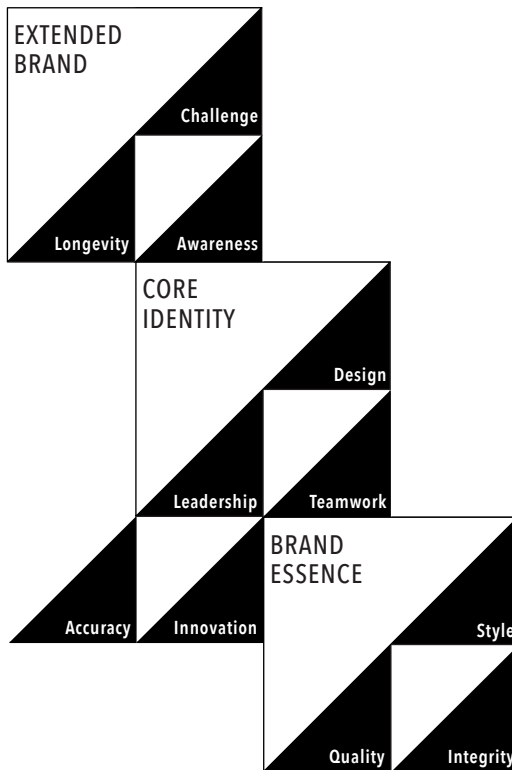
Poltrona Frau Museum,
Tolentino (Macerata)

Poltrona Frau Group
Design Centre,
Abu Dhabi



General analysis

All the brand values approach to the pursuit of excellence and product quality through continuous research and innovation designing products that exude Italian tradition and style.



Hierarchy of key values and their organization

▲ Extended brand

Range of values attributed to the brand.

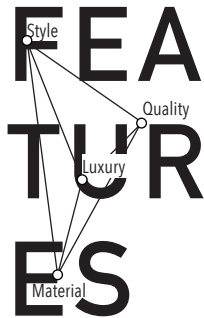
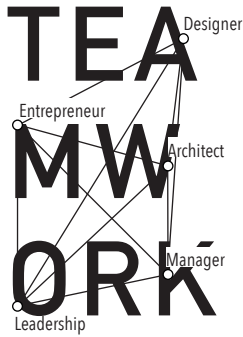
▲ Core identity

Range of values linked to the brand in terms of marketing strategy and communication.

▲ Brand essence

Heart of values base of the brand identity.





Nucleus of
references
vehiculated by
brand strategy

Set of concepts
promoted by the
company as guiding
principles of its mission.

Notes

People

Collaborative imprint in
a managerial structure
and known designers to
confirm brand validity.

Interpretation

Able to adapt to
contemporary lifestyle.

Luxury

Position in the market
place and target range.

Integrity

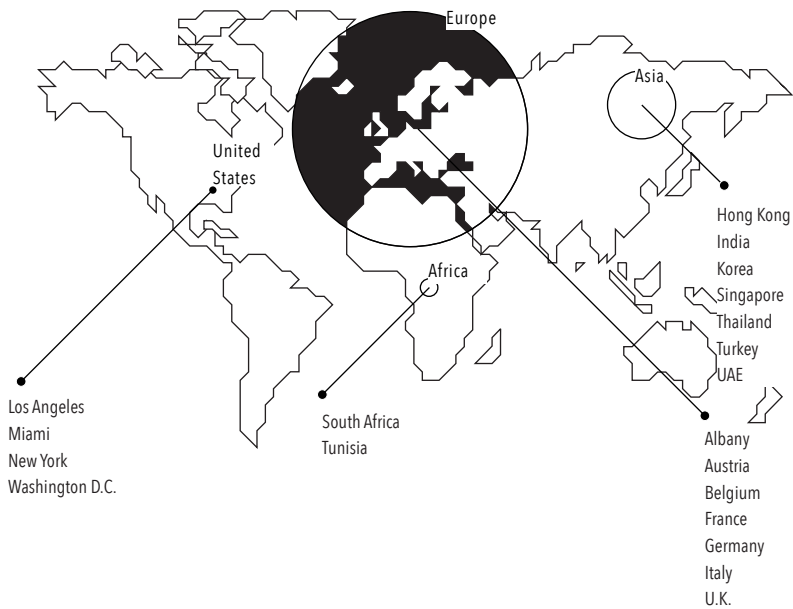
Different changes
remained loyal morality,
quality and design,
bases of the
brand essence.





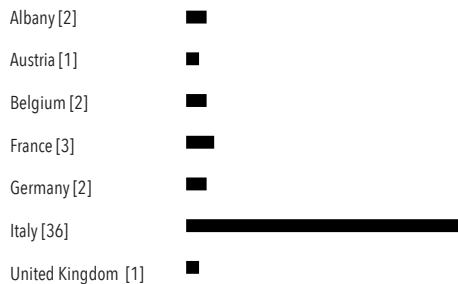
Network areas

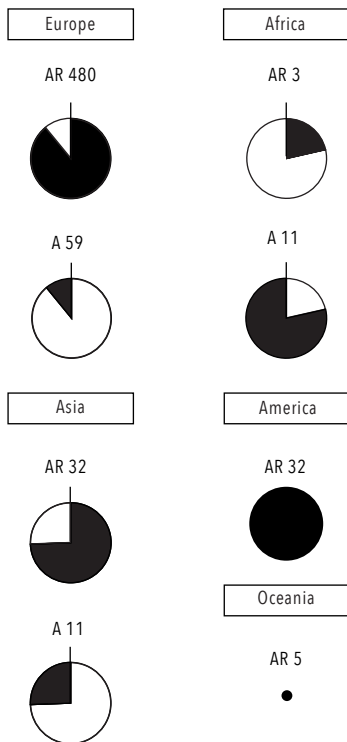
Poltrona Frau considers his brands a system thanks to geographic positioning and digital communication strategies.



Stores

Although a greater presence in Europe [47 centres], Asia registers a high number of stores [14 centres], sign of an increasing Made in Italy.





Number of Authorized Resellers (AR) and Agents per Continents (A)

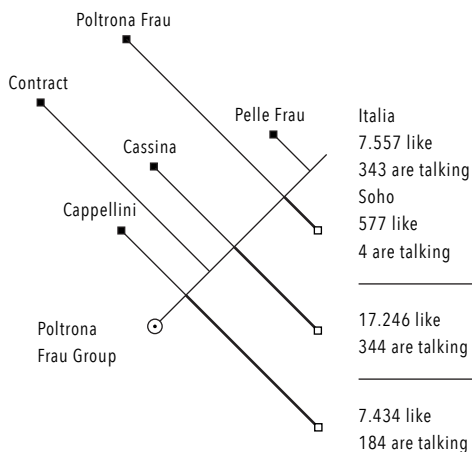
Highest number in Europe in terms of retail: Germany [74], France [35] and The Netherlands [35]. In Eastern Europe, the purchase is managed by a single agent. The relationship among Asian markets and Frau centres is certainly interesting.

Web placement

Capillary action starting from a central knot (Poltrona Frau Group) to singular company elements (brand website).

Legend

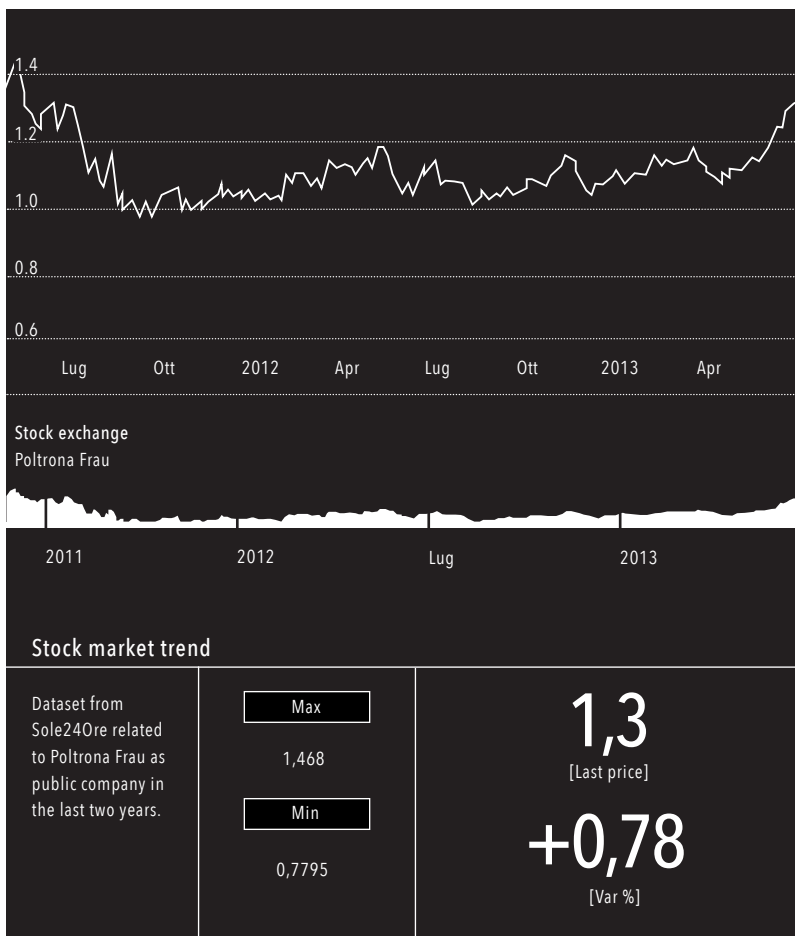
- Central knot
- sub-website
- Facebook incidence

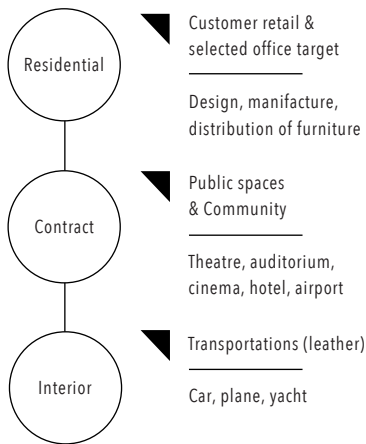




Positioning

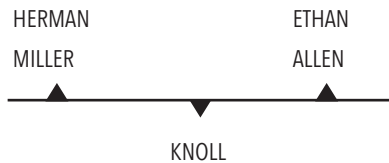
The analysis of financial markets and its dataset allow for the identification of the central role of Poltrona Frau in relation to competitors and customers.





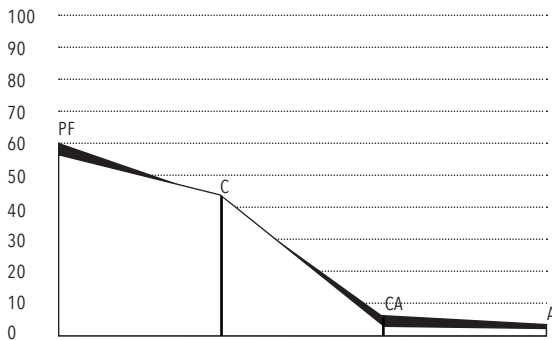
Product range and customer target diversification

The categories of product are designed, realized and commercialized according to an organizational model appropriate to verify the company value chain.



Direct competitor

Annual turnover shows the major competitive companies in the furniture market place.



Poltrona Frau [PF]
53,1 / 51,4
Cassina [C]
42,8 / 43,4

Cappellini [CA]
6,9 / 4,6
Altro [A]
3,8 / 3,6

Turnover share-out

Illustrative data about two-years turnover of Poltrona Frau Group.

Legend

- 2010
- 2011





User interest/1

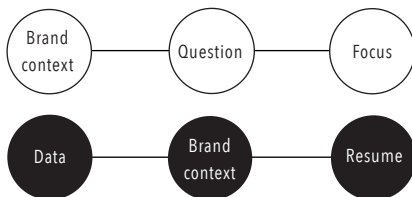
Digital tools allow for analysis of user research on the web in order to compare brand fixed values and Poltrona Frau Group's indirect perception.

CASSINA

FRAU DESIGN
FRAU FURNITURE

POLTRONE

POLTRONA FRAU



Trends: queries correlation

Using Google Trend, the query Poltrona Frau develops a user research linked to related words in a defined time (2010-2013).

This digital approach allows for the analysis of the most researched words, e.x. Cassina or Poltrone, and its connections. See the graph in User interest / 2.

Digital approach



Poltrona
Frau

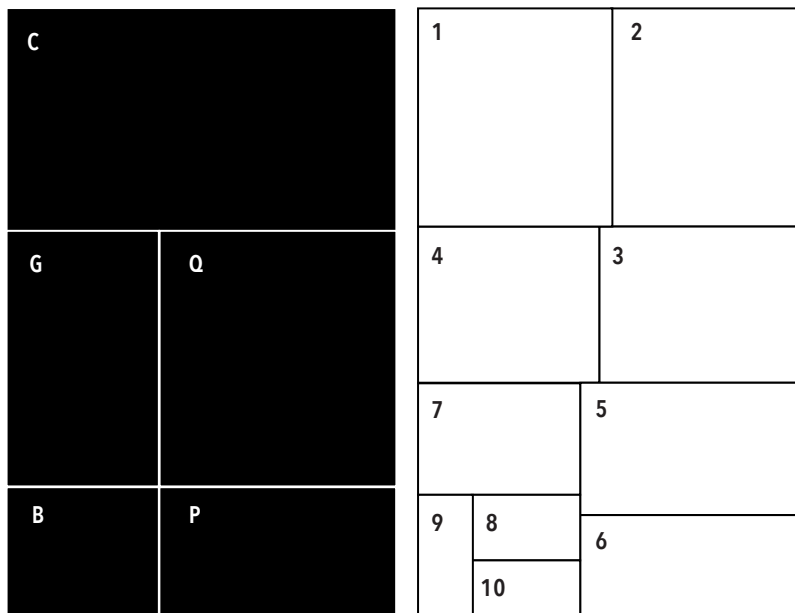
GOOGLE.COM

1.346
keywords



10 pagine
= 79 url





Legend

C / Contact / 528 words
G / Geography / 219 words
Q / Quality / 207 words
B / Brand / 132 words
P / Product / 275 words

1. L.C. Montezemolo	6. M. De Lucchi
2. Cassina	7. Zenucchi
3. Frau Museum	8. Knoll
4. Cappellini	9. G. Pesce
5. Renzo Museum	10. P. Stark

Keywords and categories

The query Poltrona frau inserted in Google.com found out a list of 79 URLs. Using Alchemy dmi tool, a dataset of 1346 keywords was detected in term of relevance and, secondly, refined.
The categorization of

this dataset is divided in: Contact, Geography, Brand, Quality and Product.
It focused on the conceptual importance of Poltrona Frau name as brand and the variety of Contact proposed.
The black table emerges

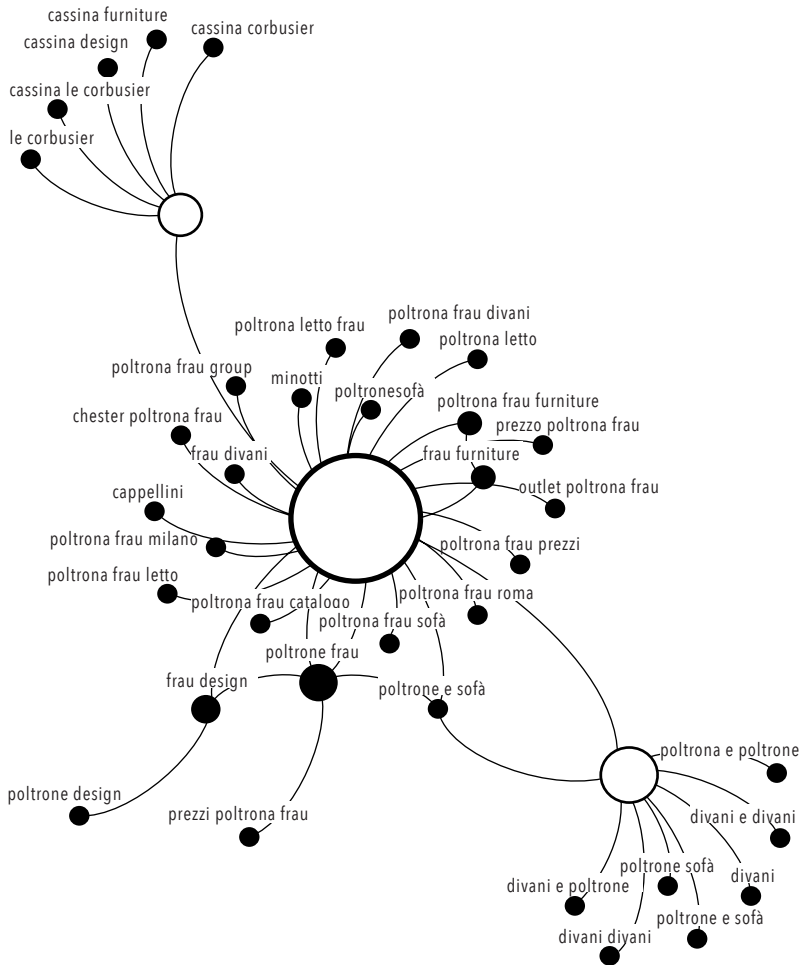
the category volume, while the white one refers to the most interesting contacts.

Focus on Contact

This category enlights relevant roles strictly connected with Poltrona

Frau Group: institutions, business man, brand and designer.
This fact reflects the aim of the company to be deeply involved in the contemporary social context.





Words and relations

The following visualization is connected to the previous trend correlation through Géphi digital tool.

It enlightens the central queries, as brands, Poltrona Frau and Cassina, or general keyword, poltrone.



Poltrona
Frau



poltrone



Cassina









Brand Archive

Tenuta San Guido

The best of Super Tuscan red wine

FROM
ITALY

Sassicaia Bolgheri DOC
Tenuta San Guido
Marchesi Incisa della Rocchetta

Sassicaia



Ornellaia



Guidoalberto



Tenuta San Guido



Le Difese



Giacomo Tachis



Stable



Bolgheri



Marchesi Incisa



Meregalli



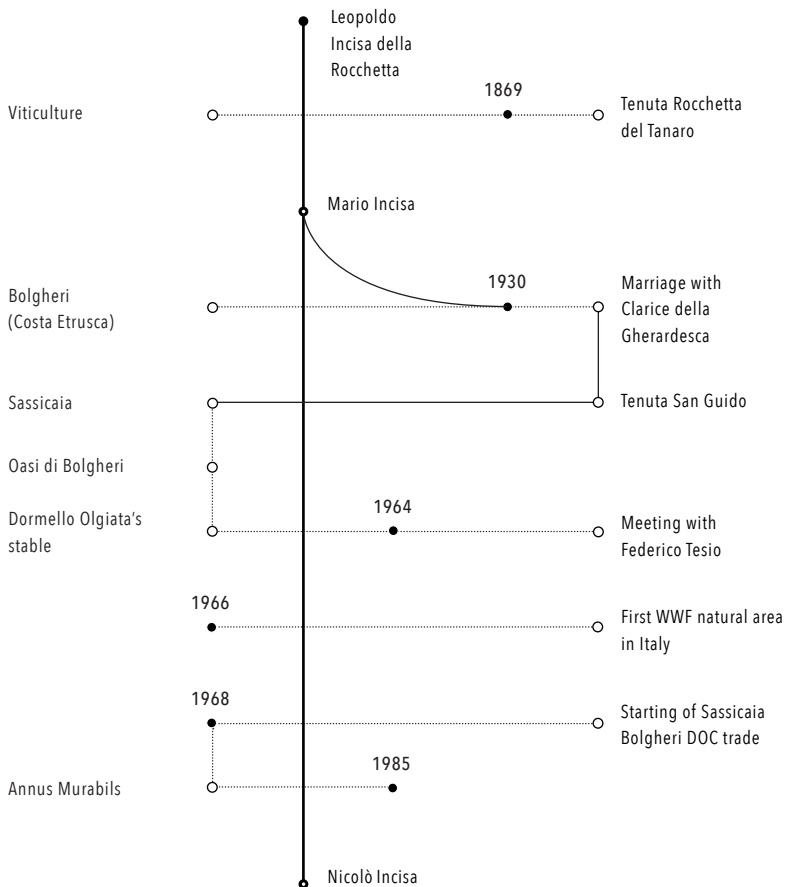
Federico Tesio

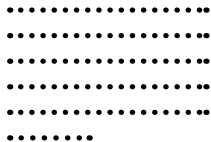




Tenuta San Guido

Sassicaia Bolgheri DOC is the famous red wine of Tenuta San Guido, managed by the Marquis Incisa della Rocchetta family through a production strategy of tradition and quality.





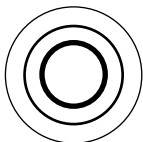
Cultivated grapevines

85 hectares



Annual bottles produced

620.000



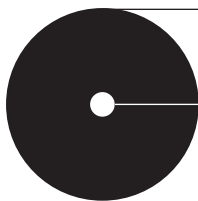
Gruppo Meregalli

Retail



Number of employees

45



85 %
Cabernet
Sauvignon

15 %
Cabernet
Franc

Historical moments about brand evolution

Landscape and family.

Legend

- Facts
- People
- Year

Characteristics

Sassicaia Bolgheri DOC.
Others: Guidalberto e Le
Difese.

Razza Dormello Olgiata.
Horse training.

Oasi di Bolgheri.
Birds sanctuary.

Key aspects of Luxury Wine

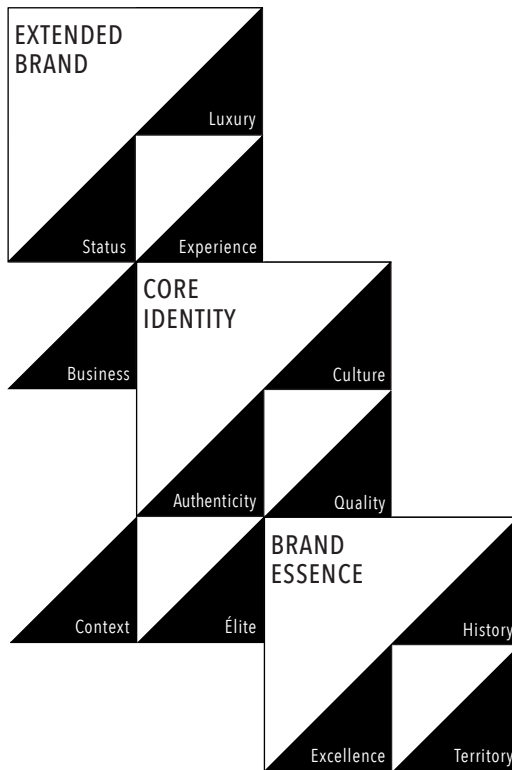
Bolgheri Sassicaia is a
wine made mainly from
Cabernet Sauvignon.
It was a change to
the Tuscan tradition
supported by terrain
similarities of Graves in
Bordeaux. This switch
was fundamental for the
success of Sassicaia and
its inclusion in top-class
wines.





General analysis

The perception given is a result of the conveyed brand image of Sassicaia clearly full of passion, heritage and attention to high quality details.



Hierarchy of key values and their organization

▲ Extended brand

Range of values attributed to the brand.

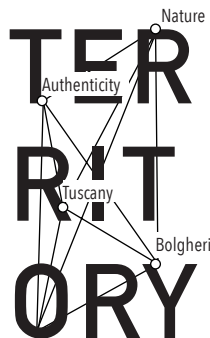
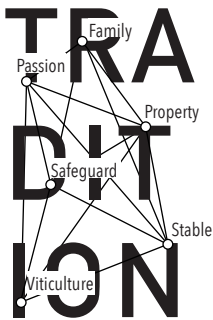
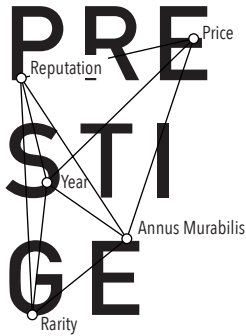
▲ Core identity

Range of values linked to the brand in terms of marketing strategy and communication.

▲ Brand essence

Heart of values base of the brand identity.





Nucleus of references
vehiculated by
brand strategy

Set of concepts
promoted by the
company as guiding
principles of its mission.

Notes

Safeguard

Environmental
protection and interest
in nature is a primary
resource for viticulture.

Challenge

Maintain winery
traditions faced with
global market changes,
competitors and search
for innovation.

Lifestyle

Symbol of a wealthy way
of thinking.

Integrity

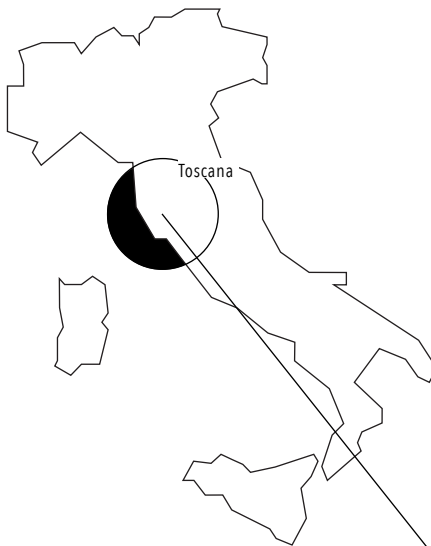
The importance of
native territory which
attempts to produce
perfection year by year.





Network areas

Tenuta San Guido appears as a timeless idyllic reality where landscape and production are perfectly integrated in order to respect the essential values of the brand.

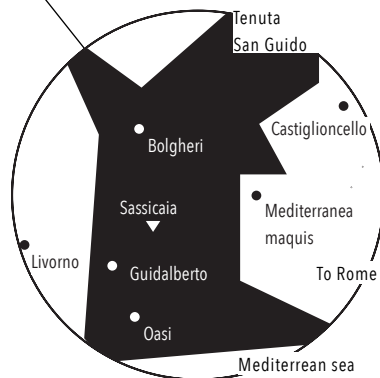


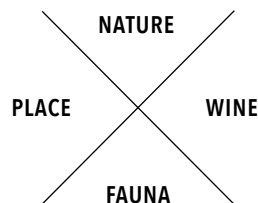
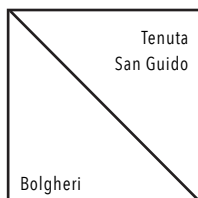
Territorial position

Tenuta San Guido has indirectly created his powerful brand identity through the profitable territorial exploitation. The status of high quality product justifies the elevated price of Sassicaia as a symbol of Super Tuscan and Made in Italy.

Focus Bolgheri

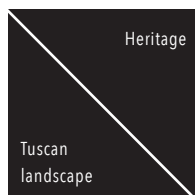
The important combination of brand and surrounding nature is essential for the creation of a product which found its typical peculiarities in the territorial variety.





Landscape variety

The geographic position and its exploitation reflect the result of the Incisa family passion for wellness and pleasures. The scenario expresses a maintenance of natural riches.



Building	Taste
History	Horses
Vineyards	Culture
Panorama	Product

Web placement

The web strategy presents an official website and supported platform for partners and sponsors. The increasing number of online retail sites that come up, beside Meregalli Group, official wine dealer, is remarkable.



- Official website and supported platform
- Managed and accepted by Tenuta San Guido
- Mini, WWF and other sponsor
- Brand licensing
- Cavalieri del Sassicaia and Hotel la Perla
- Exclusive club

COMMON VALUES

Network relations

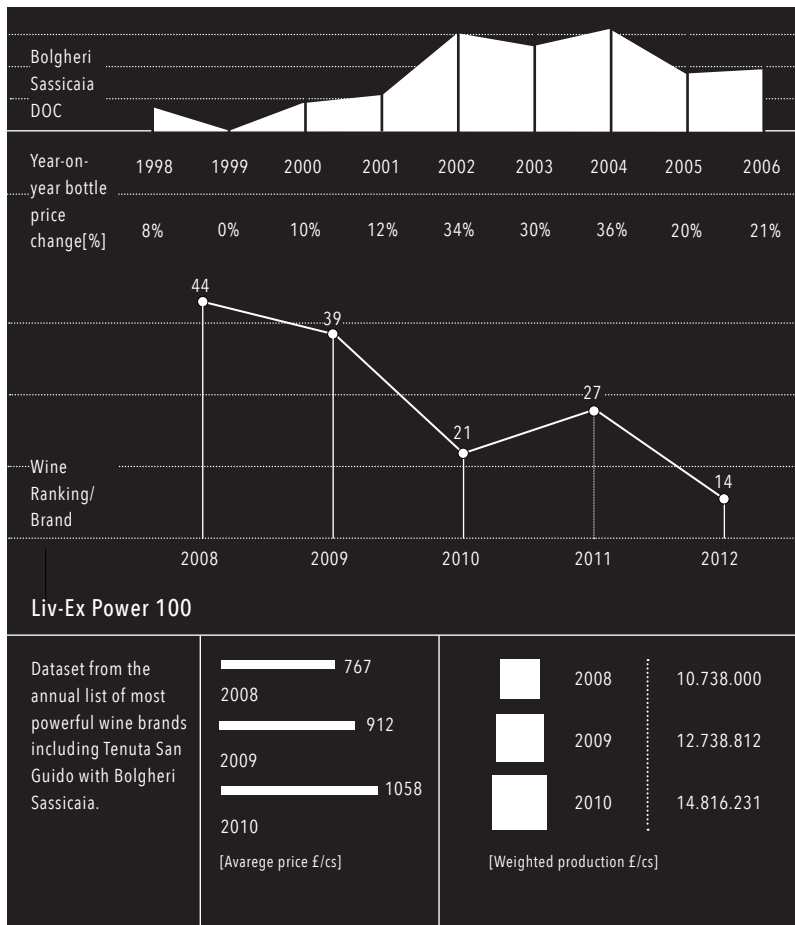
The gradual consolidation of brand identity created a perception of Bolgheri Sassicaia, as product but also as symbol of lifestyle. Collaborations and sponsors increase this dimension of values, at the base of marketing strategy.

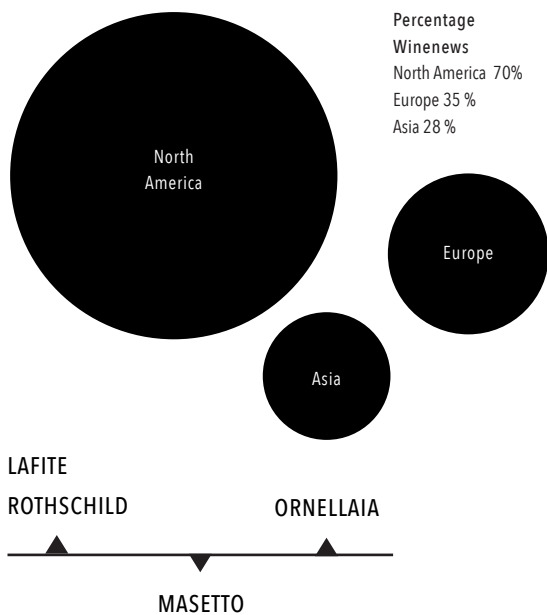




Positioning

Magazines and market analysis show the importance of investing on top-class wine as a necessary resource to exploit Made in Italy potentialities.





ITALY

2012

▼

28,1 MLN

Number of
consumers

11,6%

Usual
consumers

▼

Only 4%

Experts



Best Italian export in worldwide wine market

According to Winenews, in 2013, Italian wines are optimistic about the future thanks to exports: the most important wine companies have sales up by 83%.

Competitors

Annual Liv-Ex shows the most powerful wines in the international wine market, here some of them are presented. Beyond rankings, Bolgheri Sassicaia represents an alternative case as brand-icon of Made in Italy.

Customer

The dataset concerns the global extension of consumer. It's interesting to evidence the part of the target consciously active. Price and rarity of Sassicaia identify the product in terms of luxury and ambition.

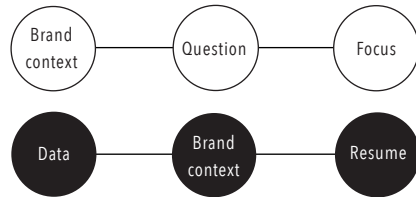




User interest / 1

The solid circle of values around Tenuta San Guido brand could be investigated through digital tools to better understand consumer behaviors and expectations.

SASSICAIA TENUTA SAN GUIDO
GUIDO ALBERTO **SAN GUIDO**
ORNELLAIA
BOLGHERI



Trends: queries correlation

Using Google Trend, the Sassicaia develops a user research linked to related words in a defined time (2010-2013).

This digital approach allows for the analysis of the most researched words, e.x. Bolgheri or Ornellaia, and its connections.

See the graph in User interest / 2.

Digital
approach



SASSICAIA

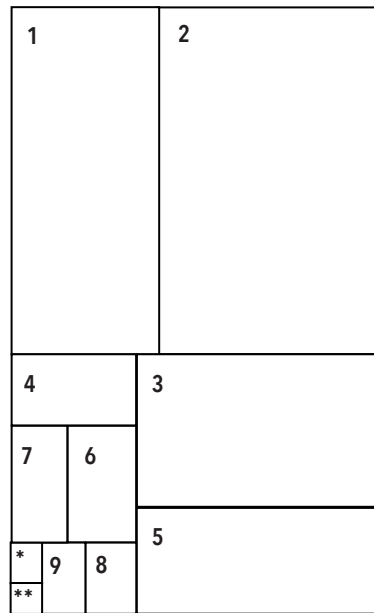
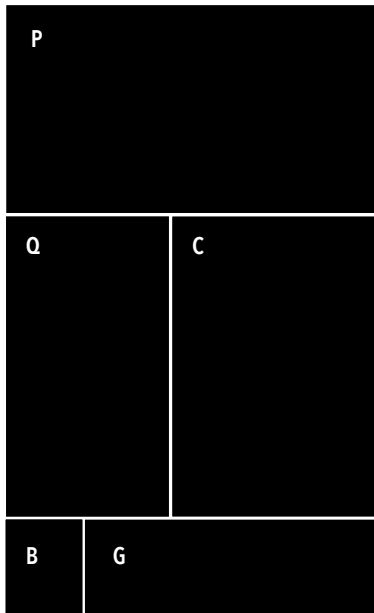
GOOGLE.COM

4.171
keywords



10 pages
= 82 url





Legend

C / Contact / 610 words
G / Geography / 397 words
Q / Quality / 491 words
B / Brand / 108 words
P / Product / 856 words

1. Wine	7. Cabernet Franc
2. Sassicaia	8. Mini
3. Vino italiano	9. Chianti
4. Barolo	10. Chateau Lafite [*]
5. Cabernet Sauvignon	11. Chateau Mouton Routhschild [**]
6. Bordeaux	

Keywords and categories

The *query* Sassicaia inserted in Google.com found out a list of 82 URLs. Using the Alchemy dmi tool, a dataset of 4171 keywords was detected in terms of relevance and then refined. The dataset is divided

into the following categories: Contact, Geography, Brand, Quality and Product. It focused on the wine production but also the image of Tenuta San Guido and its heritage. The black table shows the category volume,

while the white one refers to the most relevant products.

Focus on Product

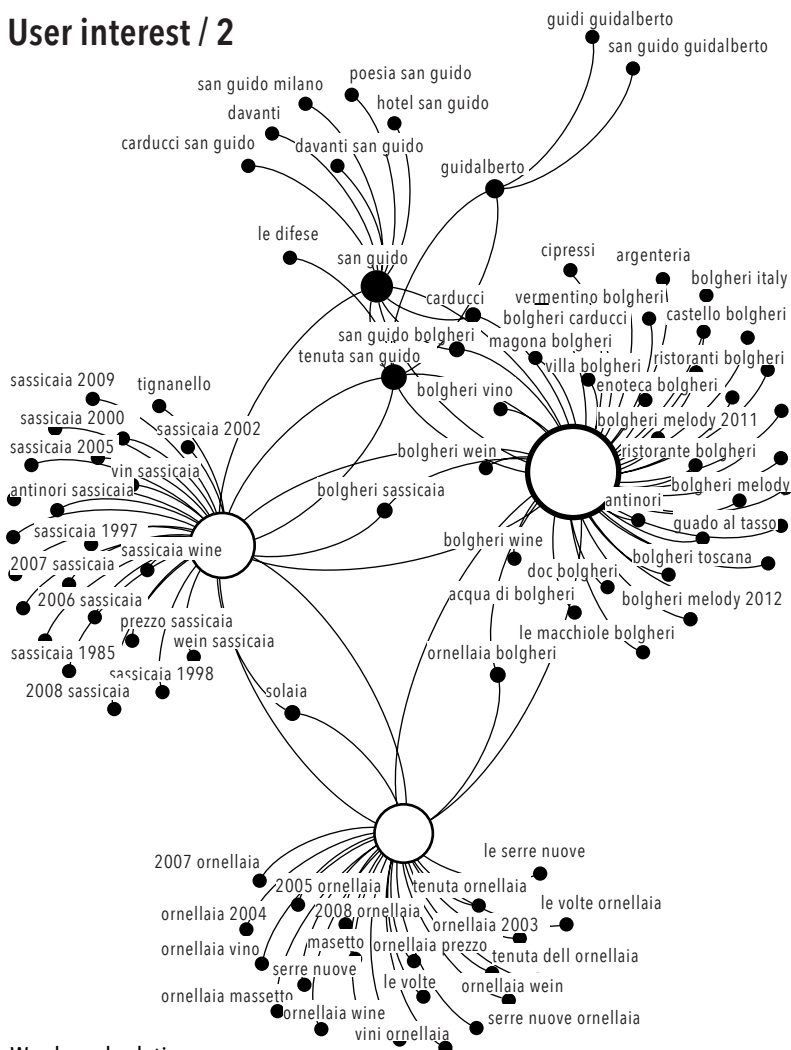
This category highlights the variety of products relevant in the research. The difference between

between Wine and Vino may be consider a sign of Made in Italy's international role. The presence of Mini is connected to the creation of a special edition through a brand licensing activity.





User interest / 2



Words and relations

The visualization is connected to the previous trend correlation through the Géphi digital tool. It highlights Bolgheri as an

important knot and the relationship between Sassicaia and Ornellaia, keywords which are representative of the general context.



Bolgheri



Sassicaia



Ornellaia









Brand Archive

Villa d'Este

Luxury pleasure on Lake Como

FROM
ITALY

Europe's legendary resort
Private villas of 19th century
Marchesi Incisa della Rocchetta

Lake Como



Cernobbio



Pellegrino Tibaldi



Festival



Carolina di Brunswick



1873



Villa La Masa



Gardens



Luxury Hotel



Golf



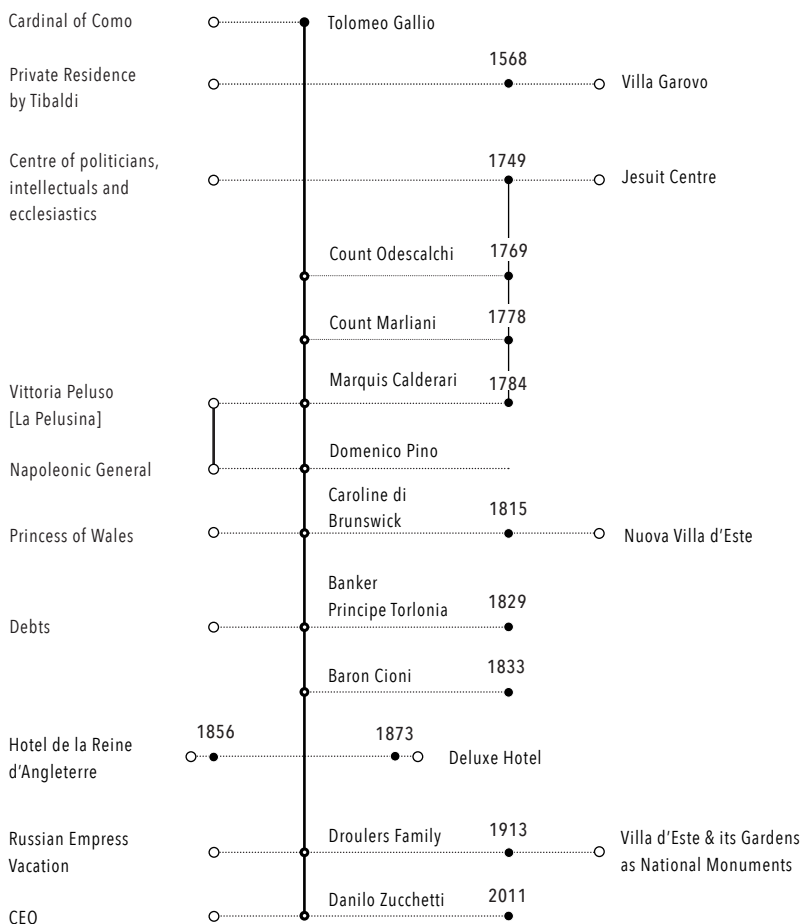
Ambrosetti Workshop





Villa d'Este

This famous resort destination overlooks Lake Como and is widely praised for its beautiful position, impeccable décor and hospitality.





Cardinal Building

152 rooms



Villa Malakof

650 mq



Villa Cima

300 mq



11 hectares of Gardens



6 restaurants



8 tennis courts

Historical moments about brand evolution

From private residence
to Luxury Hotel.

Legend

- Facts
- People
- Year

Hotels Group managed by Villa d'Este

Villa La Massa
Firenze



Palace Hotel
Como



Hotel Barchetta
Como



Key aspects of Luxury Hotel

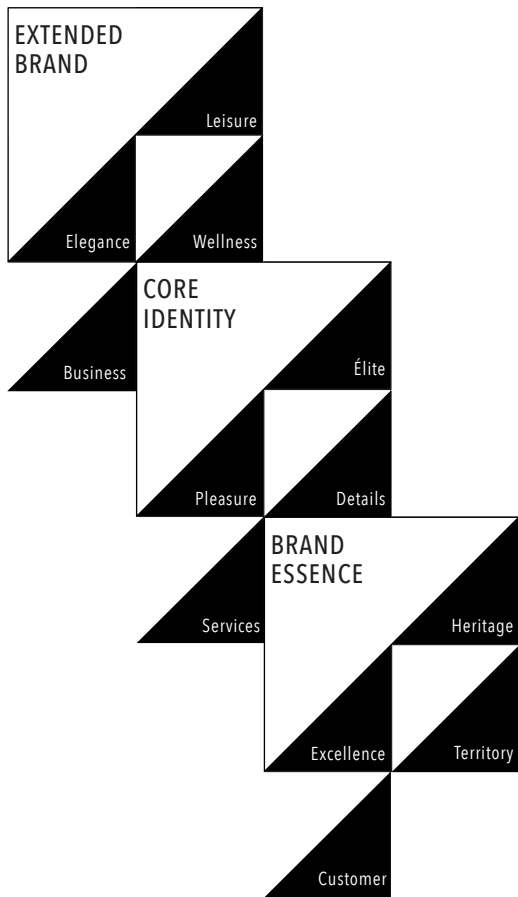
Structure and services
offered confer to
the Hotel a top class
position among the best
hotellirrie symbol of the
world.





General analysis

A range of values such as elegance and cultural heritage allows for maintenance of the solid perception of the brand identity which improves the customer loyalty management.



Hierarchy of key values and their organization

▲ Extended brand

Range of values attributed to the brand.

▲ Core identity

Range of values linked to the brand in terms of marketing strategy and communication.

▲ Brand essence

Heart of values base of the brand identity.





PAN
ORA
MA

Lake Como
Nature
Gardens
Atmosphere
Variety

CUS
TOM
ER

Privacy
Loyalty
Savoir-faire
Exclusive
International
Care

SER
VIC
ES

Golf
Wellness
Overnight
Events
Sport
Restaurants
Customization

HER
ITA
GE

Culture
History
Arts
Riches

**Nucleus of
references
vehiculated by
brand strategy**

Set of concepts
promoted by the
company as guiding
principles of its mission.

Notes

Atmosphere

Lake Como and its
panorama makes Villa
d'Este a destination in
itself to dream.

Customer care

Courtesy and attention
to detail keep a client a
faithful customer.

Privacy

Requirement to
guarantee an excellent
resort to social élite
clientele.

Riches

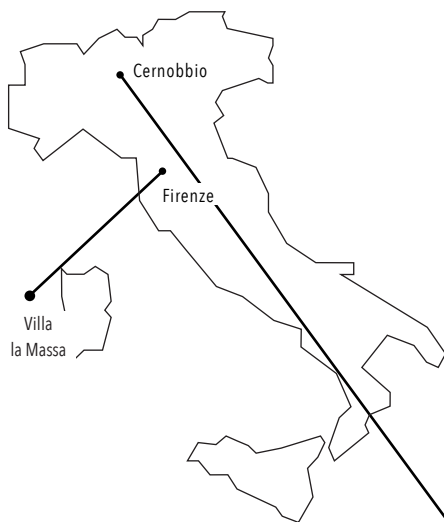
The cultural heritage
due to historical
background has
left a striking
atmosphere full of
luxurious details.





Network areas

Solid brand identity and beautiful natural surroundings support Villa d'Este in adopting a strategy based on exclusivity and élite attitude that avoid social media schemes.



Territorial position

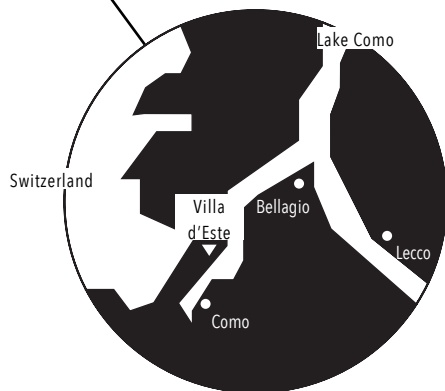
Located around the suggestive Como Lake, the Hotel benefits from a natural landscape full of beautiful views and potential activities. As Villa d'Este, Villa la Massa is located in one of the most historical and attractive Italian cities, Florence.

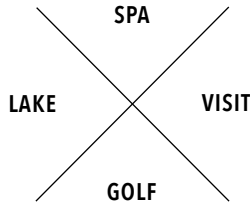
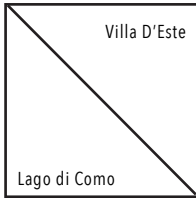
Distances to Villa d'Este

Milano Linate
[83 km]

Milano Malpensa
[67 km]

Lugano
[34 km]





Tennis	Pool
Treatment	Fitness
Beauty	Jogging
Windsurf	Sailing

Landscape richness

The importance of the geographic position is strictly linked to guest activities and resort services. The natural landscape is cleverly exploited to create an high level luxury hôtellerie service.

Villa d'Este appears as a destination in itself.

Web placement

The web strategy converges in being present online with a unique official web site in order to preserve the élite attitude.

Network

The Leading hotels of the world

The largest luxury hotel collection, with more than 430 of the world's greatest properties in over 80 countries. Its aim is to find exceptional places to be. Villa d'Este is one of these destinations.

Altagamma /
FAI - Fondo per
l'Ambiente Italiano /
Grandi Giardini Italiani
/ Ministero per i Beni
e le Attività Culturali -
Progetto Magnifico /
Confindustria AICA -
Associazione Italiana
Compagnie Alberghiere /
CIA - Como Imprenditori
Alberghieri / Festival del
Design /
Villa d'Este Wine
Symposium /
Il Parco più bello /
Lago di Como

AFFILIATIONS

▼ The Gleneagles
Hotel

▼ Brenner's Park-
Hotel & SPA

▼ Evian Royal Resort

▼ Victoria-Jungfrau
Grand Hotel & SPA

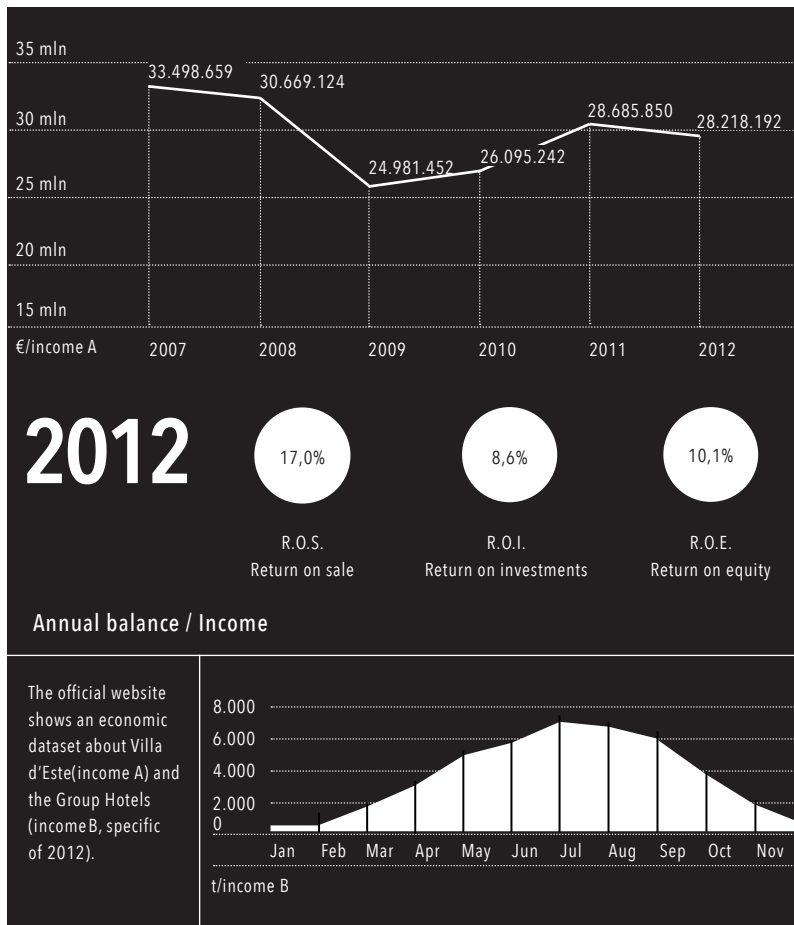
PARTNER IN EUROPE

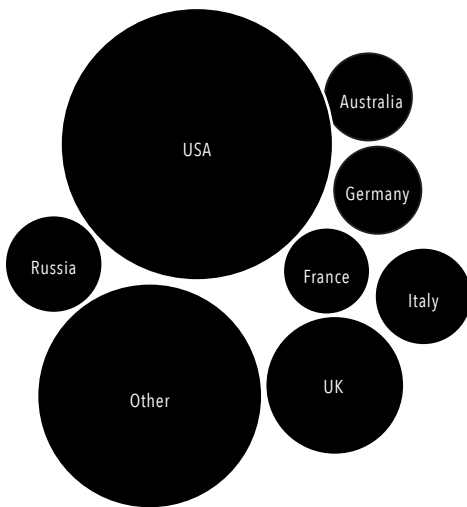
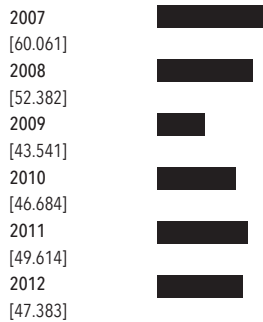




Positioning

Villa d'Este Group annual balance shows a detailed portrait about the financial market panorama and the international customer distinctions.





Dataset

Villa d'Este annual balance

Number of attendance

The economic crisis reduced slightly the rate of customer presences. In 2012, the Hotel reported a - 4,5 % which highlighted Villa d'Este's decision to focus on the maintenance of élite clientele.

Attendance per country

In 2012, Villa d'Este shows a consolidation of new markets such as Russia or Australia.

Australia / 4,80%
France / 4,10%
Germany / 4,30%
Italy / 5,50%
Russia / 5,70%
USA / 38%
UK / 10,9%
Other / 26,7%

Percentage of reserved rooms

This data reflects an increasing trend in perception of Villa d'Este as a luxury romantic destination or frequent customers against a decrease of business customers.

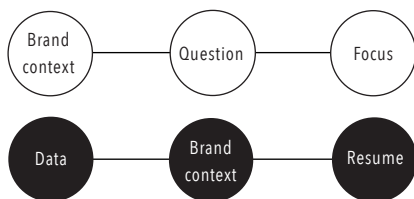




User interest / 1

Analysing hotellerie brands through digital methods gives the opportunity to evidence the most relevant services offered but also to discover their distinctive aspects.

HOTEL LAKE COMO
HOTEL BARCHETTA
BARCHETTA EXCELSIOR
PALACE HOTEL COMO
LAKE COMO ITALY
VILLA DESTÉ



Trends: queries correlation

Using Google Trend tool, the query Villa d'Este develops a user research linked to related words in a defined time (2010-2013). This digital approach allows for analysis of the most researched words, e.x. Lake Como Italy or Palace Hotel, and its connections. See the graph in User interest / 2.

Digital approach



VILLA D'ESTE

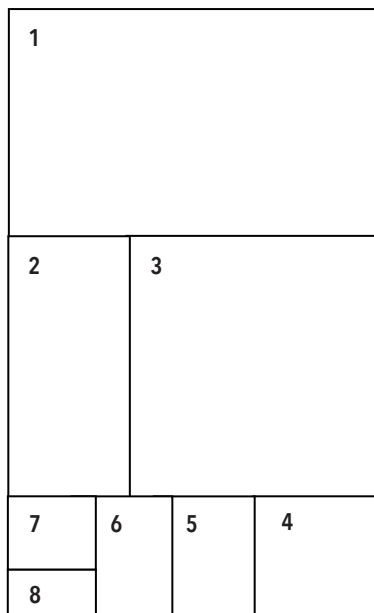
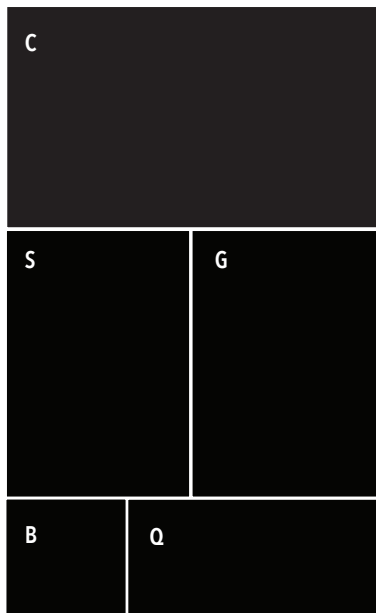
GOOGLE.COM

2.431
keywords



10 pages
= 77 url





Legend

C / Contact / 900 words
G / Geography / 539 words
Q / Quality / 316 words
B / Brand / 149 words
S / Service / 528 words

1. BMW
2. Ippolito d'Este
3. Alfa Romeo
4. Villa Erba
5. Aston Martin
6. Golf Club
7. Robert de Niro
8. Ralph Lauren

Keywords and categories

The *query* Villa d'Este inserted in Google.com found out a list of 77 URLs. Using the Alchemy dmi tool, a dataset of 2431 keywords was detected in terms of relevance and then refined. The dataset is divided into the following

categories: Contact, Geography, Brand, Quality and Service. An attentive analysis needs a specific disambiguation among Villa d'Este Cernobbio and Villa d'Este Tivoli. The black table shows the category volume, while the white one

refers to the most particular contacts.

Focus on Contact

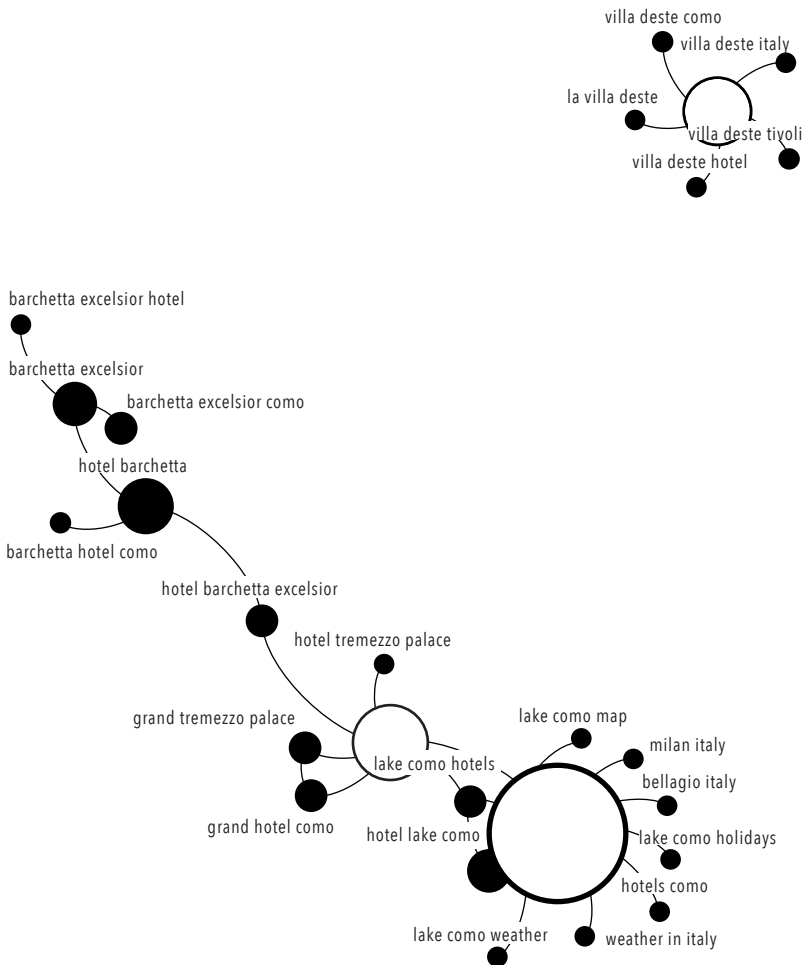
This category presents contrasting roles according to different functions. It's possible to notice for example, top-level carmakers

that require Villa d'Este's scenario for exhibitions and events, or historical names such as Ippolito d'Este. It's also interesting the presence of Golf Club which connects to a sports panorama that is increasingly expanding.





User interest / 2



Words and relations

The visualization is connected to the previous trend correlation through the Géphi digital tool. It highlights the isolated

position of Villa d'Este and the central role of Lake Como Italy as a geographic destination.



Lake como italy



Villa deste



Palace hotel como









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